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East Asia

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ASEAN Views Security, Spratlys; Meeting Closes

PRC Suggests Consultative Mechanism

BK2207013192 Bangkok THE NATION in English 22 Jul 92 pp A1-A2

[Text] China has suggested the setting up of a new consultative mechanism to discuss political and security issues with ASEAN, according to senior ASEAN officials.

Rodolfo Severino, a Filipino delegate, said the mechanism will be outside the framework of the Post-Ministerial Conference which ASEAN now has with its seven-member dialogue partners.

China is not an ASEAN dialogue partner and it is seeking a new forum to discuss security matters with ASEAN, Severino said.

ASEAN officials said the scope and nature of this consultative mechanism proposed by China is still unclear. "It is not a concrete thing," Severino added.

Witthaya Wetchachiwa, Thai permanent secretary for foreign affairs, said China wants to be involved in any security dialogue with ASEAN on a new regional order. He said during the meeting China also denied that it wants to fill the power vacuum resulting from the US troop withdrawal from the Philippines. China is also strongly opposed to the internationalization of the Spratlys dispute which should be solved through peaceful negotiations.

ASEAN foreign ministers attending the meeting with Chinese Foreign Minister Qian Qichen expressed satisfaction over the talks. Foreign Minister Asa Sarasin said ASEAN had "a very good discussion" and "constructive talks" with China on regional and international problems as well as ways to strengthen ASEAN-China relations.

Philippine Foreign Minister Raul Manglapus categorized the talks as "frank" and was pleased that China and ASEAN shared similar views on the South China Sea. Manglapus said Qian used the meeting to reiterate Beijing's intention to shelve the sovereignty and juridical issues over the disputed Spratlys and go ahead with joint development of the disputed areas.

China's idea of the joint development programme, Manglapus said, was not too far away from the guidelines worked out by the informal workshop on South China Sea.

Severino said that China presented a three-page position paper on the South China Sea for ASEAN foreign ministers. The paper stated that China's activities related to the Spratlys, including the passing of legislation in February of its sovereignty over the disptued Spratlys, the agreement between China and a US oil company. China has been the focus of the ASEAN meeting because of its involvement in the disputes over the Spratlys, a group of 100 islets believed to be rich in oil and natural resources.

ASEAN ministers said China and ASEAN have discussed ways to strengthen their economic cooperation, which can follow the model of China-EC cooperation, and can be handled bilaterally or as a group.

According to a Chinese source, Qian has offered to provide assistance in setting up two centres to promote cooperation in science and technology between China and ASEAN.

—ASEAN foreign ministers have agreed to give an observer status to both Vietnam and Laos, a Thai delegate said. The observer status entitles the two Indochinese countries to attend ASEAN meetings from next year onwards. At the moment, only Papua New Guinea enjoys that status. Today, Vietnam and Laos are acceding to the Treaty of Amity and Cooperation.

Link of Aid, Human Rights Rejected

HK2207112092 Hong Kong AFP in English 1043 GMT 22 July 92

[Text] Manila, July 22 (AFP)—ASEAN foreign ministers rejected Wednesday donor nations' moves to tie economic aid to human rights concerns, saying they would rebuff any Western attempt to force them to take a hardline stance on Burma.

"Environmental and human rights concerns should not be made as conditionalities in economic and development cooperation," they said in a communique after the Association of Southeast Asian Nations (ASEAN) annual foreign ministers meeting.

"Human rights, while universal in character, are governed by the distinct culture and history of and socio-economic conditions in each country, and their expression and application in the national context are within the competence and responsibility of each country," the communique added.

Thai Foreign Minister Asa Sarasin also said Wednesday that ASEAN, which groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, would reject attempts by major trading partners to censure Burma for its human rights violations.

"We have the Asian way to resolve this problem. We feel our way is the better way," he told reporters.

Asa said ASEAN would continue its policy of engaging Burma, ruled by a military junta since 1988, in a constructive dialogue to wean it back into the international community.

The ministers rejected a request by the United States and the European Community (E.C.) at ASEAN's 1991 meeting in Kuala Lumpur for a harder line against Burma, but decided to send a special envoy, Philippine Foreign Secretary Raul Manglapus, to Rangoon for low-key talks.

The Burmese junta has been condemned by the West for ignoring the results of a 1990 general election won by the opposition, led by the detained Nobel Peace Prize winner Aung San Suu Kyi.

Asa stressed that ASEAN—whose members Malaysia, Indonesia and Brunei are majority Moslem—did not condone Burma's treatment of its Rohingya Moslems, tens of thousands of whom have fled to Bangladesh as refugees, claiming persecution.

"We do not forgive that," he said.

Asa maintained however that ASEAN was moving in the right direction with its policy of constructive engagement with Burma, noting that authorities had recently allowed Aung San Suu Kyi to meet with members of her family.

This and other developments were signals of change in Burma, he said.

The U.S.-based human rights group Asia Watch has urged U.S. Secretary of State James Baker to raise human rights issues when he arrives in Manila later this week for a post-ministerial meeting with ASEAN and representatives of its other major trading partners, including the E.C., Japan, South Korea, Australia, Canada and New Zealand.

Asia Watch said in a statement that they made specific recommendations on Thailand, Indonesia and its annexed province of East Timor, and Burma.

Sanctions Against Khmer Rouge Viewed

BK2207014192 Bangkok THE NATION in English 22 Jul 92 p A4

[Text] ASEAN is trying to convince its dialogue partners that United Nations sanctions against the Khmer Rouge would harm the peace process in Cambodia, according to reliable sources.

The sources attending the annual ASEAN ministerial conference here said that the blame over the impasse of the peace process should be "apportioned" to all concerned parties and not put solely on the Khmer Rouge.

"We all want to see the peace plan working," commented a Thai delegate, who monitors the Cambodian situation. "This will be an ASEAN approach on the issue."

On Monday, Chinese Foreign Minister Qian Qichen indicated that his country would oppose any move to impose UN sanctions against the Khmer Rouge, saying that it would damage the Paris peace agreement on Cambodia.

"If one takes drastic measures, the result may be damaging to the Paris agreement as a whole," Qian said.

China's warning and ASEAN's endeavour came as the United Nations Security Council plans this week to discuss ways to implement the UN-brokered peace plan including the possible sanctions against the Khmer Rouge.

The Khmer Rouge, since the beginning of second phase of peace plan last June, refused to disarm and allow the UN forces to inspect their strongholds.

The same Thai official said that when ASEAN ministers meet its dialogue partners in a plenary session on Friday, they would raise the Khmer Rouge issue and the possible UN sanctions as demanded by Western countries.

"We think that some of the Khmer Rouge's complaints should be considered before any tough measure is taken," said the official.

In his opening speech, Asa said that the international community should address the Khmer Rouge's concerns, which were raised recently, if they are legitimate.

Qian also voiced a similar comment in Monday's interview with Filipino journalists.

He said the questions raised by the Khmer Rouge should not be used as an excuse to refuse to join in the second phase of UN peace plan.

"On the other hand, it is necessary to seriously consider these questions raised by the Khmer Rouge and they should gradually be resolved through peaceful consultations," said Qian.

At a recent conference in Tokyo on Cambodia, the Khmer Rouge complained that the Vietnamese troops withdrawal have not been effectively verified.

They said the Phnom Penh government has more power than the Cambodia's Supreme National Council (SNC), which is supposed to run day-to-day business inside Cambodia.

The official said ASEAN will try to convince members of UN Security Council, including Japan, which is currently sitting in the Council, to understand the real situation in Cambodia.

He said Japan has an important role to play, so its opinion on the Khmer Rouge issue is important.

Tokyo is serving a two-year as a non-permanent member of UNSC. [sentence as published] ASEAN foreign ministers will meet their counterparts from Japan, New Zealand, the EC, Australia, South Korea, the US and Canada on Friday and Saturday.

Besides the Cambodian issue, regional security and trade issues will also be taken up at the discussions.

Thailand Rejects Support Accusations

BK2207150292 Bangkok Army Television Channel 5 in Thai 1230 GMT 22 Jul 92

[Report by correspondent Chanya Poyananthakun—live via satellite from Manila]

[Text] Foreign Minister Asa Sarasin has strongly reaffirmed that Thailand has never provided assistance to the Khmer

Rouge. Asa made this statement when asked—by both Thai and foreign journalists, while attending the ASEAN foreign ministerial conference—about the UN's decision to deny foreign assistance to the Khmer Rouge as retaliation against their failure to abide by the Paris peace agreement reached in October last year. The foreign countries think the Khmer Rouge still have a strong force and have maintained a tough stand (?because of) assistance from Thailand. Asa said such thinking is not fair to Thailand. He reaffirmed that Thailand had not provided any assistance to the Khmer Rouge.

Malaysia Reveals PRC Spratlys 'Assurance'

BK2207045492 Kuala Lumpur BERNAMA in English 0317 GMT 22 Jul 92

[Text] Manila, July 22 (OANA-BERNAMA)—China has assured ASEAN that it does not want the South China Sea to be turned into a "hot spot or trouble area," Malaysian Foreign Minister Abdullah Ahmad Badawi said Tuesday.

He said China made this assurance at the consultative meeting between Chinese Foreign Minister Qian Qichen and the ASEAN foreign ministers.

He said the Chinese minister also assured Malaysia at a separate bilateral meeting earlier that China wants peace because it wanted to continue with its reform process as well as extending economic cooperation with its ASEAN neighbours.

However, Abdullah said that "a country intending to play any role in the region should adhere to the principle of Treaty of Amity and Cooperation."

This should be the basis for the code of conduct that governs the international affairs, including in the South China Sea, he told reporters after the consultative meeting at the first day of the 25th ASEAN ministerial meeting [AMM] here.

Abdullah also said that the Chinese proposal for a multi-level dialogues between the claimants of the islands in the South China Sea would have to be studied further by ASEAN.

"We have to discuss that in detail," he added.

He said despite of the very positive policy and confidence- building statements from China, they must explain what they actually do on the ground.

Abdullah said this was because of "uneasy signals coming from China's moves in the South China Sea."

He said Malaysia views with great concern certain developments arising from sovereignty and jurisdictional disputes over islands and reefs as well as maritime airspace in the South China Sea.

In his speech at the opening of the AMM earlier, Abdullah said there was a need for all parties concerned to exercise self-restrait with a view to creating a positive climate for the eventual solution of these disputes.

Malaysia Reacts to Spratlys Declaration

BK2307070292 Kuala Lumpur BERNAMA in English 0614 GMT 23 Jul 92

[By Ghazemy Mahmud]

[Text] Manila, July 23 (OANA-BERNAMA)—Malaysia views with grave concern certain developments arising from sovereignty and jurisdictional disputes over islands and reefs as well as the maritime space in the South China Sea, Malaysian Foreign Minister Abdullah Ahmad Badawi said Thursday.

Adherence to the ASEAN declaration on the South China Sea signed by the grouping's foreign ministers at the end of the 25th ASEAN ministerial meeting [AMM] Wednesday could help avoid potential conflict in the area, he added.

Any adverse development leading to heightened tension or conflict could only result in dire consequences to the region's well-being, he told reporters here.

In another move contradicting its stated policies, China announced new restrictions yesterday on fishing in its offshore waters, including the South China Sea.

The official CHINA DAILY newspaper reported in Beijing that the new restrictions include limits on the number of fishing vessels to be allowed in Chinese waters, the time of the year they can fish, and types of nets to be used.

Abdullah said there was a need for parties concerned to exercise self-restraint to create a positive climate for the eventual solution of disputes in the South China Sea.

Adverse developments could risk extraregional involvement and put back years of painstaking efforts at nurturing relations based on mutual trust and confidence, he added.

The declaration on the South China Sea offers a framework under which disputes in the South China Sea might be settled peacefully. Vietnam, one of the claimants to the disputed Spratly Islands, reefs and shoals, expressed full support for the declaration while China, a rival claimant, said it "appreciates some of the basic principles" contained in it.

The other claimants to the Spratlys are Taiwan, the Philippines, and Brunei.

All the claimants except Brunei has some form of military presence on some of the islands there.

Abdullah said: "The declaration is the most positive development initiated by the ASEAN countries and should be taken as a very pragmatic code of international conduct which we believe is implementable."

He also said that the South China Sea happened to be a common sea for all the six ASEAN nations. During the AMM, Abdullah and the Philippines foreign secretary,

Raul Manglapus, held separate bilateral talks with their Chinese counterpart Qian Qichen.

Abdullah had said that ASEAN was getting "uneasy signals" from China with regards to its "moves" in the South China Sea. "It is important that they do not send the wrong signals," he added.

Reacting to the declaration, a spokesman of the Chinese delegation said China appreciated some of the basic principles in the declaration as they were identical with or similar to the Chinese position on the issue.

China, he said, had put foward a proposal to "shelve the disputes and start joint development. China is against the use of force."

"We believe that with joint efforts of the countries concerned in the region, we can expect not only the maintenance of peace and stability in the South China Sea but also extensive cooperation with a view to promoting common prosperity," he added.

Among other things, the dispute in the South China Sea will be discussed when the ASEAN foreign ministers meet their dialogue partners for the next three days at the post ministerial conference which begins Friday.

The seven dialogue partners are the European Community, Japan, South Korea, New Zealand, the United States, Australia, and Canada.

Taiwan Requests 'Dialog Partner' Status

HK2307050892 Quezon City MALAYA in English 23 Jul 92 p 6

[By Ellen Tordesillas]

[Text] Taiwan has requested to be a dialog partner of the Association of Southeast Asian Nations, Foreign Secretary Raul Manglapus said yesterday.

Manglapus said ASEAN "took note" of the request which was made "through diplomatic channels."

He denied receiving a letter from Taiwan bearing the request.

ASEAN's dialog partners are Australia, Canada, European Community, Japan, New Zealand, South Korea and the United States.

ASEAN cooperation with developed countries was started in 1976 primarily to improve access for ASEAN commodities to the markets of dialog partners.

The dialogs have served as an important fora for securing development assistance in such fields as agriculture, science and technology, energy, transport and communication and narcotics.

ASEAN granted yesterday Vietnam and Laos observer status after they acceded to the treaty of amity and cooperation.

As observers, Vietnam and Laos will join Papua New Guinea in attending foreign ministers meetings but cannot participate in discussions.

Observer status is a step towards becoming a member.

Datuk Ajit Singh of Malaysia was elected ASEAN secretary general. He is Malaysia's ambassador to Bonn. As secretary general, he will speak for ASEAN.

Conference Closes 22 Jul

HK2307040992 Hong Kong SOUTH CHINA MORNING POST in English 23 Jul 92 p 7

[By Michael Bociurkiw in Manila]

[Text] Foreign ministers from the six-member Association of Southeast Asian Nations closed a two-day annual conference yesterday with an agreement to settle rival claims over the Spratly Islands through peaceful means.

The 25-year-old ASEAN also took a major step towards expanding its membership, by drawing Laos and Vietnam into one of its fundamental treaties, and granting these two Indochinese states observer status.

For the first time, Russia and China were invited to attend the annual meeting as guests.

Speaking on behalf of the ASEAN members, Singapore's Foreign Minister, Mr Wong Kan Seng, said countries outside Southeast Asia had "legitimate interests in the region".

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Philippine Foreign Minister Mr Raul Manglapus also confirmed yesterday that Taiwan had submitted a request, through diplomatic channels, to become a dialogue partner of ASEAN—along with Canada, the United States and five other nations.

In a final communique, the ministers highlighted regional security and better economic co-operation as strong concerns of ASEAN.

The Spratlys issue was mostly dealt with in a separate communique entitled "Declaration on the South China Sea".

The declaration noted the "historic, cultural and social ties that bind our peoples as states adjacent to the South China Sea".

It added that the issue involved "sensitive questions of sovereignty and jurisdiction".

In a statement issued yesterday, China said it agreed with "some of the declarations" in the final communique and the Spratlys declaration regarding the South China Sea—implying it may have problems with other points.

"China has all along stood for a peaceful settlement of the territorial disputes over the Nansha (Spratly) Islands through negotiations.

"China is against the use of force."

Some or all of the mineral-rich Spratlys, a chain of islets and shoals in the South China Sea, are claimed by three members of ASEAN—the Philippines, Malaysia and Brunei—along with non-members China, Taiwan and Vietnam.

China, which claims all of the islands, told the ASEAN ministers it would also temporarily "shelve the disputes" and work with the group in implementing joint development projects.

While the main communique expressed strong displeasure with the "deteriorating situation" in Boznia-Herzegovina and over the "continuing violence" in South Africa, it steered away from criticism of human rights violations in Asian countries such as Burma.

It reminded outside countries that human rights was an internal matter.

The Spratlys declaration commits the signatories to a number of conditions, including resolving claims without the use of force and exploring possible areas of co-operation.

These include joint projects on the safety of maritime navigation and communication, protection against pollution of marine environment, co-ordination of search and rescue operations, and anti-piracy and anti-drug projects.

Vietnam yesterday issued a statement endorsing the Spratlys declaration, which was also warmly received by Russia.

"We are encouraged by the idea to start a joint economic development of disputed territories rather than to continue territorial claims," said Russian Foreign Minister Mr Andrei Kozyrev.

Calling itself "a Pacific power", the Russian delegation proposed the convening of regular meetings of leaders of the Asia-Pacific region and the US, and the formation of an international naval force.

East Timor Talks Opposed at ASEAN-EC Session

BK2307035492 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 23 Jul 92

[Text] Indonesia will reject attempts to include the East Timor issue in the forthcoming ASEAN-EC dialogue in Manila. Indonesia, however, is always ready to face such possibilities. Foreign Affairs Minister Ali Alatas disclosed this to newsmen after the closing of the 25th ASEAN ministerial meeting in Manila last night. He said, however, that there had been no indications that the East Timor issue would be raised during the ASEAN-EC dialogue.

According to Minister Ali Alatas, Indonesia will reject any discussions of the East Timor issue because the matter has nothing to do with the objectives of the ASEAN-EC dialogue. Indonesia is always ready for various possibilities, including Portugal's attitude that it now has the upper hand following the Dili incident on 12 November last year.

The ASEAN-EC dialogue is scheduled to take place on Saturday with the Philippines acting as the ASEAN spokesman.

Russia Extends Pacific Diplomatic Representation

BK2207095292 Melbourne Radio Australia in English 0500 GMT 21 Jul 92

[Text] The Russian republic is extending its diplomatic representation in the Pacific. The ambassador to New Zealand, Aleksandr Losyukov, has been appointed as the first Russian ambassador to Western Samoa and Tonga since the breakup of the Soviet Union. He is scheduled to present his credentials in the respective capitals of Apia and Nuku'alofa next month.

Mr. Losyukov is based in Wellington, where a spokesman for the embassy said he would brief leaders in Western Samoa and Tonga about developments in his homeland.

Russia has curtailed its aid programs in the Pacific because of its own economic difficulties. But the embassy spokesman said it is more than willing to provide technical help.

Japan

Kanemaru Denies Cabinet Reshuffle Planned

OW2207125892 Tokyo KYODO in English 1230 GMT 22 Jul 92

[Text] Tokushima, July 22 KYODO—Ruling Liberal Democratic Party (LDP) strongman Shin Kanemaru on Wednesday denied any reshuffling of the cabinet of Prime Minister Kiichi Miyazawa shortly after the July 26 House of Councillors election.

Kanemaru, vice president of the LDP, said in a press meeting, "I am opposed to the reshuffling of the cabinet shortly after the upper house election."

Kanemaru said the cabinet should not be reshuffled until around the end of October, adding such time will mark one year since Miyazawa formed his cabinet.

He indicated that at the time of a reshuffle Deputy prime Minister and Foreign Minister Michio Watanabe, and other important cabinet ministers, must stay on in the cabinet.

Kanemaru said he will meet Miyazawa following the upper house election to discuss the cabinet reorganization plan.

Ruling and opposition parties should deal with political reform proposals ahead of other issues as soon as the extraordinary Diet session starts in the fall, Kanemaru said.

Miyazawa proposed cutting the number of seats in the House of Representatives to correct a disparity between seats and voters in constituencies.

His proposal calls for the elimination of one seat each in 10 rural constituencies, while increasing by one seat each in nine urban constituencies.

The Supreme Court has ruled that a disparity in the value of votes of more than 3-1 is unconstitutional.

On the Cambodian issue, Kanemaru said Self-Defense Forces (SDF) personnel should not be sent to the country in the role of U.N. peacekeepers until the Khmer Rouge lays down its weapons to the U.N. Transitional Authority in Cambodia (UNTAC).

The Khmer Rouge, one of four warring factions in Cambodia, has refused to relinquish its arms to the UNTAC and instead has demanded that the Phnom Penh Government dissolve itself.

Hata To Provide 'Tonic' for Anemic Economy

OW2307032892 Tokyo KYODO in English 0313 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—Finance Minister Tsutomu Hata vowed Thursday to provide additional tonic to the anemic economy unless it shows signs of recovery in the foreseeable future.

Speaking at a gathering of regional bank officials, Hata said the government is still monitoring how its spring-time package to boost the economy is working.

"But if the measures prove not to be effective enough, then, we will take appropriate steps" to shore up the economy, he said.

The government's emergency economic package, featuring massive front-loading of public works projects, and an official discount rate cut by the Bank of Japan, has so far failed to drag the economy out of its current lethargic state.

With the economy mired in a protracted slump, the government is expected to take extra steps, including a major supplementary budget, probably around this fall.

Has No Plan To Help Stock Market

OW2307035092 Tokyo KYODO in English 0322 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—Finance Minister Tsutomu Hata said Thursday he has no plans to take special measures to help the ailing stock market.

Speaking to reporters, Hata denied market rumors that the Finance Ministry and the Bank of Japan will hold a special meeting to discuss measures to help boost stock prices.

Hata's remarks came as the Tokyo Stock Market continued to fall Thursday morning, following a weaker yen in foreign exchange markets.

A senior Finance Ministry official said, however, the yen's current weakness is not a concern and described it as within a range of expectations.

The official also noted that the stock market's weakness is not related to the yen, stressing that it is a matter of confidence in the stock market. The official spoke on condition of anonymity.

Hiraiwa Urges Closer Ties With Foreign Companies

OW2307033892 Tokyo KYODO in English 0315 GMT 23 Jul 92

[Text] Oyama, Shizuoka Pref., July 23 KYODO—The Federation of Economic Organizations (Keidanren) opened a three-day annual summer business seminar in this summer resort Thursday with its chairman appealing for "symbiotic" relations with foreign companies.

Keidanren chairman Gaishi Hiraiwa said in an opening speech that the idea of "symbiosis" must be fleshed out through the seminar so Japanese and foreign businesses can enjoy mutual prosperity.

Hiraiwa has been crusading for the idea of symbiosis as a way to help resolve trade disputes between Japan and foreign countries.

Hiraiwa also appealed to some 30 business executives taking part in the seminar to discuss how to revive the economy as economic activity remains stagnant.

The seminar is being held on the main theme of symbiosis and innovation.

White Paper Urges Open Market, More Imports

OW2307092692 Tokyo KYODO in English
0909 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—Japan should liberalize its domestic market and boost imports, the Japan External Trade Organization (JETRO) said Thursday.

In its 1992 white paper on trade, JETRO also called for a successful conclusion of the current round of global trade talks, greater overseas financial commitments by private companies, and contributions to maintaining economic growth in east Asia.

Japan's imports of durable goods slackened after peaking in 1990 and those of semimanufactured materials have grown little since 1989, the report said.

But it notes a steady increase in imports of capital goods—those used in the production of other goods.

The trade group said Japan's imports of manufactured goods are likely to expand amid a diversification of such import channels as those from overseas production bases of Japanese companies and higher procurement from abroad by domestic companies.

As for exports, JETRO noted increased Japanese shipments of capital goods, saying such exports are closely tied to Japan's direct investment in the importing country.

The report said exports of office equipment go largely to the United States and Europe, while electronic devices are shipped to the newly industrializing economies (NIES), and ordinary machinery to the association of Southeast Asian nations.

On a customs-clearance basis, the quantity of Japan's imports rose 3.0 percent last year but increased just 0.8 percent in value. Exports jumped 9.6 percent largely due to the dollar's weakness against the yen.

JETRO predicted global trade would improve mildly this year, supported by moderate economic recuperation in leading industrialized nations, high growth in nies, and recovery of imports by developing countries.

It also said economic integration in the European Community is fueling global trade.

Estimate Says Economy Needs 11 Trillion-Yen Boost

OW2307094192 Tokyo KYODO in English
0928 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—Japan will need about 11 trillion yen for a supplementary budget and other policy-related spending in the autumn to achieve the government's economic growth target of 3.5 percent this fiscal year, according to an estimate released by a life insurance company Thursday.

Asahi Mutual Life Insurance Co. said that in addition to that sum, 9 trillion yen of which would be for public works, a .5 percentage point official discount rate cut would be necessary.

Should all the measures currently proposed by the Liberal Democratic Party cost about 6 trillion yen, the nation's economy will show only an annual 2.3 percent growth, even if the key lending nate is cut by half a point, the company said.

If the cost totals 8 trillion yen and there is no discount rate cut, the growth rate will remain at 2.6 percent for the year, it said.

A combination of 8 trillion yen in pump-priming measures and a 0.5 percent rate cut will produce a 2.8 percent economic growth.

If no stimulative measures are taken and there is no discount rate cut, the economy will grow by a mere 1.7 percent, the life insurance company said.

But it said that with measures amounting to 11 trillion yen, the already tight demand-supply situation in such fields as the construction industry could trigger consumer price hikes.

The dilemma appears to be whether to adopt strong stimulative measures at the risk of inflation, or set a priority of maintaining prices even if it means failing to achieve the goal of 3.5 percent economic growth, it said.

Polls Shows Cabinet, LDP Approval Ratings Up

OW2307001792 Tokyo KYODO in English
0001 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—The approval rating for the cabinet of Prime Minister Kiichi Miyazawa increased a marginal 0.2 percentage points between June and July to 35.5 percent, an opinion poll released by the YOMIURI SHIMBUN said Thursday.

The disapproval rating for the cabinet dropped 5.4 percentage points to 46 percent, the newspaper said.

The survey, conducted in advance of Sunday's House of Councillors election, covered 53,100 eligible voters nationwide, of whom, 39,929, or 75 percent responded.

The approval rating for the ruling Liberal Democratic Party (LDP) decreased 0.4 percentage points to 45.4 percent.

The percentage of those supporting the Social Democratic Party (SDP) increased 2.7 percentage points to 15.2 percent. The approval rating for Komeito was 5.1

percent, while it was 3.5 percent for the Japanese Communist Party (JCP) and 3.0 percent for the Democratic Socialist Party (DSP), the paper said.

Meanwhile, the support rating for the LDP rebounded to 34.9 percent, an ASAHI SHIMBUN opinion poll released Thursday showed.

The approval rating for the LDP registered a record low of 25.6 percent in an opinion poll conducted prior to the 1989 upper house election, the ASAHI said.

The ASAHI conducted the opinion poll Sunday and Monday, covering 47,000 voters nationwide, of whom 76 percent responded.

The approval rate for the SDP decreased to 12.1 percent from 22.1 percent three years ago, it said.

The approval rating for Komeito, the JCP, and the DSP remained almost unchanged at 4.1 percent, 3.0 percent, and 2.6 percent respectively, it said.

Policies of Major Parties in Upper House Election

OW2307044492 Tokyo KYODO in English
0415 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—Following are the main campaign policies and positions of six major parties with candidates in Sunday's House of Councillors election.

The parties are the ruling Liberal Democratic Party (LDP), Social Democratic Party (SDP), Komeito, Democratic Socialist Party (DSP), Japanese Communist Party (JCP) and Rengo-no-kai.

International Contribution, UN Peacekeeping Cooperation Law

LDP—Supports the peacekeeping cooperation law. Believes Japan should make utmost contribution with personnel as well as finances and materials under the constitution.

SDP—Calls for drastic revision of the law. Believes international contribution should be done by corps separate from the Self-Defense Forces (SDF), based on the constitution. Proposes cutting defense budget and appropriating the savings to assist developing countries or for environmental preservation.

Komeito—Supports the law. Thinks Japan should cooperate in UN peacekeeping operations, refugee relief activities and global environmental preservation issues. Also should provide aid to former Soviet republics and Eastern European countries and expand official development assistance.

DSP—Supports the law. Calls for active SDF participation in peacekeeping operations with the approval of the Diet. Says Japan should step up contributions for global environmental preservation, nuclear control, and should increase Japanese UN staff members.

JCP—Demands abolition of the law. Proposes peaceful contribution in medical and educational fields as well as in economic development and environmental preservation.

Rengo-no-kai—Calls for revising the law. Wants a corps separate from the SDF, and any SDF personnel in the corps must leave the SDF or be sent on loan from the SDF when joining the UN peacekeeping operations.

Diplomacy, Defense

LDP—Wants to develop diplomacy to contribute to world peace and stability and develop world economy. Says Japan should ensure peace and stability by equipping itself with an appropriately sized defense and by maintaining Japan-U.S. security pact.

SDP—Proposes reducing and reorganizing the SDF. Believes Japan should strictly observe three-point anti-nuclear principle and its ban on sending troops abroad. Aims at concluding peace treaty with Russia and establishing an "equal partnership" with U.S.

Komeito—Seeks the return of the Russian-held northern territories and normalization of diplomatic ties with North Korea. Also proposes cutting defense budget and the number of SDF personnel and equipment. Wants to continue Japan-U.S. security pact for the time being but to reduce the U.S. bases in Japan.

DSP—Wants to maintain Japan-U.S. security pact and to conclude a peace treaty with Russia with the return of the northern islands. Seeks a six-nation meeting for peace and stability in Northeast Asia and the North Atlantic.

JCP—Proposes abolishing the Japan-U.S. security pact and halving the defense budget. Calls for immediate return of Russian-held Shikotan and Habomai islets and the other two islands after concluding a peace treaty with Russia.

Rengo-no-kai—Wants to maintain Japan-U.S. security pact but wants more weight on economic, social and cultural matters in the future rather than on military matters. Calls for the return of all four northern islands at one time as soon as possible.

Economy, Tax

LDP—Seeks economic recovery by promoting measures to boost domestic demand, including a large supplementary budget. Aims at completing a tax system that suits aging and more international society. Calls for ensuring equal and fair tax shouldering.

SDP—Proposes reducing working hours. Places emphasis on measures for the environment and aging society. Against increasing consumption tax rates, calls for exempting food and drink from consumption tax.

Komeito—Calls for compiling a large supplementary budget to invigorate the stagnant economy, and cutting

at least 1 trillion yen of individual income tax. Also calls for immediate changes to consumption tax such as exempting food from tax.

DSP—Wants to carry out economic measures such as compiling large supplementary budget.

JCP—Proposes a drastic change in the labor standards law and the enactment of a charter to protect the rights of taxpayers.

Rengo-no-kai—Proposes about 2 trillion yen tax cut for workers.

Agriculture

LDP—Wants to maintain rice self-sufficiency policy.

SDP—Opposes liberalization of the rice market from the standpoint of improving the nation's self-sufficiency rate in food and of preserving the environment.

Komeito—Against setting tariffs on rice, wheat and dairy products.

DSP—Against opening the rice market.

JCP—Pushes measures to boost national self-sufficiency in food from the current 47 percent to 60 percent in the near future.

Rengo-no-kai—Calls for self-sufficiency in rice.

Environment

LDP—Wants Japan to play a leading role in international cooperation on environment and development.

SDP—Proposes forming an action plan on environmental preservation, such as introduction of a basic environment law and environmental assessment law. Also calls for setting up a fund for environmental efforts and international cooperation on environment.

Komeito—Advocates introduction of an environmental assessment law and establishing an environment ministry. Proposes plan to have international community allocate 10 percent of its defense budget for environmental measures.

DSP—Proposes upgrading the Environment Agency to a ministry and introducing a basic law on environmental preservation.

JCP—Believes Japan should first devote energy to tackle domestic environment problems.

Rengo-no-kai—Proposes enacting basic law on environmental preservation and an environmental assessment law.

Automobile Industry Notes June Output Increase

OW2307065292 Tokyo KYODO in English
0557 GMT 23 Jul 92

[Text] Tokyo, July 23 KYODO—Japan's automobile production in June rose 1.1 percent from a year before for the first year-on- year rise in seven months to 1,098,588 vehicles, an industry association said Thursday.

Output of passenger cars rose 3.8 percent to 822,922 cars, that of trucks fell 6.4 percent for 11 straight months to 271,357, the Japan Automobile Manufacturers Association said.

Meanwhile, production of buses totaled 4,309, up 19.2 percent.

"Domestic demand for automobiles remains weak due chiefly to an economic slowdown and exports are leveling off," an official at the association said.

With the latest month's figures, the nation's automobile output during the first half of this year, came to 6,334,774 vehicles, down 3.5 percent from the same period of last year,

Output of passenger cars during the half-year period totaled 4,731,962 cars, down 1.4 percent, that of trucks were 1,578,506, down 9.5 percent, and buses 24,306, up 11.3 percent.

Fisheries Industry Looking to PRC for Labor

OW2307093492 Tokyo KYODO in English
0804 GMT 23 Jul 92

[Text] Sendai, July 23 KYODO—Japanese fisheries are eagerly pursuing stronger ties with China to help them weather domestic shortages of both workers and resources.

The Miyagi Prefecture Fisheries Industry, in particular, is accepting trainees from Chinese companies in Dalian and other Chinese coastal cities to secure needed workers and secure supplies of fish.

The number of Chinese trainees to the northeastern Japanese prefecture has more than doubled in the past two years, with workers coming to learn Japanese processing know-how.

Miyagi, Japan's largest producer of "kamaboko"—a sausage-like roll of boiled fish paste—is desperately seeking labor due to Japan's labor shortage and a lack of resources, which have been dwindling due to international curbs on Japanese fishing.

Yamamoto Suisan Shokuhin Co., a kamaboko maker in Shiogama, has received about 10 trainees a year from Dalian Ocean Fishery General Corp. since 1989.

The latest group consists of 11 women who have been studying the Japanese language and fisheries know-how since late May.

"China wants to expand its market, while we wants to secure fisheries resources," a company official said. "The program is beneficial for both of us."

The annual program was prompted by Japan's increasing difficulties in securing Alaska pollack, used in kamaboko, due to bilateral agreements limiting Japanese

catches of the fish within 200 miles of the coasts of Russia and the United States.

In return for accepting trainees, the Japanese company was guaranteed steady supplies of fluke by the Dalian firm.

A fisheries union in Shiogama, comprising workers from 18 fisheries companies, invited some 25 trainees from three Chinese fisheries concerns from April to June. They are now learning Japanese methods of packaging of sliced fish.

One of the Dalian trainees, Yang Yuqing, said, "Japan has a wider variety of processed marine products than China. I want to acquire Japan's processing skills and use them back home."

The training program has set the stage for a further deepening of ties with China, said the union's chief, Katsuo Utsumi.

"We are hit by a severe labor shortage—some companies suffered a 20 percent loss of employees over the last three years," Utsumi said. "Close exchanges with labor-abundant China are vital for us to survive this hardship."

North Korea

KCNA Reports Kim Tal-hyon's Activities

SK2307110092 Pyongyang KCNA in English 1042 GMT 23 Jul 92

[Text] Seoul July 23 (KCNA correspondent)—Kim Tal-hyon, vice-premier and chairman of the State External Economy Commission, staying in South Korea met and exchanged views with Choe Kak-kyu, deputy prime minister and minister of the Economic Planning Board [EPB] of the South side Monday.

Outlining the purpose of the visit of the North side's delegation to Seoul, Vice-premier Kim Tal-hyon stressed that the authorities of the North and the South needed to accumulate experience in cooperation and exchange when the North-South agreement was adopted and effectuated and discussions were in progress on annexed agreements for its implementation amid the great expectation and interest of the 70 million fellow countrymen, though there were difficulties. And he put forward some proposals for promoting economic cooperation and exchange.

That day he invited Deputy Prime Minister Choe Kak-kyu to visit Pyongyang at a time he thought fit and the latter accepted the invitation.

The South Korean deputy prime minister and EPB minister, the chief of five economic organizations and the president of the Daewoo Business Group separately hosted receptions for the vice-premier and his entourage.

While staying in South Korea, the visitors exchanged views on economic cooperation with businessmen of the South side and went round cultural relics and industrial establishments in Seoul, Chongju and Kyongju.

Paper Says ROK Lied About U.S. Nuclear Arms

SK2307050892 Pyongyang KCNA in English 0420 GMT 23 Jul 92

["South Side Is To Blame"—KCNA headline]

[Text] Pyongyang July 23 (KCNA)—Through the seventh meeting of the North-South Joint Nuclear Control Committee held on July 21 the South side admitted that the "declaration on the absence of nuclear weapons" it had so far advertised was a lie and that it itself was to blame for the delayed discussion of matters for the implementation of the joint declaration on denuclearization, says a NODONG SINMUN analyst today.

He notes:

The South side avoided answering the question of our side as to which was true, the U.S. announcement on July 2 on the withdrawal of nuclear weapons from South Korea, or the South Korean chief executive's "declaration on the absence of nuclear weapons" in December last year. This tells that the South Korean chief executive's "declaration" was a lie and they have kept the U.S. nuclear weapons in hiding in contravention of the joint declaration on denuclearization.

Now that the "absence of nuclear weapons" advertised by it has turned out to be a lie and it has become clear who is to blame for the impasse over denuclearization, the South side must reflect on its insidious acts of going against the times and approach with sincerity the dialogue with the North for the denuclearization of the Korean peninsula.

What is important is for the South side to discard the anachronistic idea of dependence on outside forces and confrontation intended to get something by tailing behind foreign forces, bereft of the spirit of national independence.

The United States has announced the withdrawal of nuclear weapons from South Korea and, if it is true, the South Korean authorities must not turn their back on their total inspection any longer but respond to the North's fair and aboveboard proposal regarding rules of inspection without delay.

Whether the question of denuclearization of the Korean peninsula is solved or not entirely depends on the attitude of the South side.

South Korea

Kim Tal-hyon Tours Pusan Industrial Facilities

SK2307075692 Seoul YONHAP in English 0655 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—North Korean Deputy Premier Kim Tal-hyon set out for Pusan, South Korea's second largest city, on Thursday morning to look around industrial facilities, including footwear factories.

After breakfasting on codfish soup and steamed abalone, a seemingly tired Kim stepped into a limousine for an hour-long ride to Pusan at 9.

He paused for a moment first for photographs with his guides in the ancient city of Kyongju and then thanked them for their kindness.

He didn't take a walk around the scenic hotel surrounded by a lake and low hills before breakfast but stayed in his room, apparently catching up on his rest.

While talking with executives of Yukong Ltd., a major South Korean oil refinery, in Ulsan on Wednesday night, Kim asked if a recent news report that microbes were found in mineral water in the South was true.

"If it proves to be true, North Korea is willing to sell mineral water to the South," Kim said.

"I know a South Korean song that praises the scenic beauty and kindness of the people in Ulsan, but the scenery seems changed due to industrial complexes," Kim said in apparent reference to pollution there.

A company executive told Kim that the South Korean deputy prime minister was occasionally assailed in connection with policy management and asked whether he was in a similar situation in the North. Kim smiled at him, but didn't say anything.

—Before touring industrial complexes in Ulsan, Kim spent the afternoon in Kyongju looking around Sokkuram Grotto, Pulguk-sa Temple and Chonmachong royal tomb.

Upon arriving at the grotto, Kim was welcomed by head monk Chongbuk and guided around the historic site. He chatted with some of the Buddhist monks.

When asked to burn incense before the Buddha, he politely refused.

The North Korean technocrat willingly joined the head monk in ringing a huge iron bell after being told that it was made for bringing national reunification at an early date.

"I wish unification could come as easily as ringing a bell," Kim commented.

Kim, who was evidently impressed by a performance of lyric songs at his hotel the previous night, asked a guide aboard the bus to sing "The Girl on the Soyang River," a popular song among South Korean youngsters.

After visiting the grotto, Kim looked around the temple for about 20 minutes guided by Buddhist monks.

He put his name and wrote a wish for the good maintenance of precious cultural heritages in the temple visitors book.

Electronics Firms Seek Cooperation With North

SK2307061692 Seoul YONHAP in English 0601 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—Three major electronics companies are actively seeking cooperation with North Korea, reasoning that electronics is the most promising field of cooperation in the near future.

The companies—Samsung, Daewoo and Goldstar—have designated officials to specialize in cooperation with North Korea in such fields as production, exports and development under direct control of company presidents.

"It was confirmed that North Korea began to consider seriously cooperation with Daewoo in the home appliance field after North Korean Deputy Premier Kim Tal-hyon visited the Kumi factory of Daewoo in North Kyongsang Province," a Daewoo official said.

An electronics factory can be established in the Nampo industrial complex, but North Korea and Daewoo discussed joint investment in the textile and light industries only, he said.

Goldstar Co. also has a special working-level team for North Korean affairs in addition to a group-level task force and plans to invest in the basic technology sector first.

Samsung Electronics Co, has no special body for economic cooperation with North Korea yet, but such teams are set up on a group level and at a sister firm, Samsung Co.

Government Proposes Inter-Korean Women's Meeting

SK2307095592 Seoul YONHAP in English 0800 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—Rep. Yi U-chong of the major opposition Democratic Party proposed Thursday to Yo Yon-ku, a vice chairman of the Supreme People's Assembly of North Korea, that they meet at the truce village of Panmunjom on July 29 to discuss arrangements for a regional women's conference.

In a telephone message, Yi, a former vice chairperson of the National Council of Churches, thanked Yo for postponing the Pyongyang forum on "peace in Asia and the role of women" from the first half of the year to early September and gave the names of the South's three delegates to the proposed meeting.

In addition to Yi, they are Yi Hyo-chae, a former president of the Korea Women United, and Yun Chong-ok, a former professor of Ewha Womans University, both of whom are co-leaders of the Korean council for the women drafted for sexual service by Japan.

The regional forum was first held in Japan in May 1990 and then in Seoul in November 1991 attended by women leaders from South and North Korea and Japan.

Government Lowers Quota of Steel Exports to U.S.

SK2307021792 Seoul THE KOREA HERALD in English 23 Jul 92 pp 8, 9

[Text] The Ministry of Trade and Industry [MTI], uneasy about the recent barrage of U.S. antidumping charges against Korean steel exports, yesterday notified the domestic steel firms of their respective shipment quotas to America.

On the whole, the ministry reduced the total shipments by local steelmakers for April 1992 to March 1993 to 70 percent of last year's—to 486,500 tons.

Three major steel industrial associations—Korea Iron and Steel Association [KISA], Korea Steel Pipe Association and Korea Metal Industry Cooperatives—simultaneously with the government notification, started to allocate quotas item-wise to their respective member companies, industry sources said.

The MTI's export-restraint figures for major items were 103,670 tons for plated steel sheets, 264,390 tons for pipes, 1,540 tons for stainless bars, 2,170 tons for rails, 73,150 tons for nails, 770 tons for stainless coils, 700 tons for stainless wires, 7,910 tons for stainless plates and 32,200 tons for wire ropes.

Ministry officials said that the measure, though taken as part of efforts to ease trade friction with the United States which has filed massive dumping charges against foreign steel makers, will not seriously affect Korean companies' exports to America.

The domestic steel makers, who have even failed to "digest" their export quotas under the VRA (voluntary restraint arrangement) for the past few years, will find little meaning in another set of export quotas from the government, business sources said.

The items given new export quotas are those which the domestic makers shipped out to America at the "quota digestion" ratio of 60 percent or more last year, the officials said.

A KISA official, however, said that although the MTI's "show of sincerity" to America is understandable in view of heading off more trade disputes with the biggest market, the government should also form a joint front with Canada and the European Community [EC], which are taking on a dual strategy of counter-charging threats and negotiations.

Europe Becomes Largest Market for Auto Exports

SK2307024992 Seoul YONHAP in English 0048 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—Europe toppled the United States as the biggest buyer of South Korean automobiles in the first half of the year, boosting imports 142.4 percent to 55,000 vehicles while U.S. imports declined 42.6 percent from a year earlier to 45,000, the Trade and Industry Ministry said Thursday.

Hyundai Motor Co. shipped 19,000 Elantras to Germany, up 225 percent, and plans to export 26,000 vehicles altogether by the end of the year, Ministry officials said.

Britain is expected to double its imports by the year's end, having bought 7,000 Korean vehicles as of June, up 41.5 percent from the same period last year.

Sales to Italy jumped 97.2 percent to 8,000 and are slated to surge 33.3 percent to 14,000 by the year's end.

Now that France has removed its curtain on automobile imports, around 4,000 Korean vehicles may arrive in the country this year, the officials said.

Exports to Europe are expected to amount to 105,000 by the end of the year, up 87.5 percent from last year.

Land Fraud Investigation Results Announced

SK2307055892 Seoul YONHAP in English 0533 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—The Seoul district prosecution, winding up its investigation into the largest financial scandal in recent years, announced Thursday that the fraud was perpetrated by groups of professional swindlers and no personalities in the political bloc were involved in the land scam.

Describing the fraud as "a typical scam under the pretense of authority," the prosecution said it would indict all nine people who had been detained and questioned during the 18-day investigation.

Summing up the results of its investigation, the prosecution said the swindlers defrauded First Life Insurance Co. of 66 billion won by offering a bogus contract to sell plots of land belonging to the Army Intelligence Command.

The nine are Kim Yong-ho, 52, a civilian employee of the Joint Chiefs of Staff Headquarters, Chong Kon-chung, 47, chairman of Sungmoo Construction Co., and seven others who collaborated with the two.

Three real estate brokers, identified as Kwak Su-yol, 45, Pak Sam-hwa, 38, and Min Yong-chun, 52, who were involved in the scam are still at large. The prosecution said it has formed teams to pursue and arrest them.

According to Thursday's final announcement, a swindlers ring led by Kim Yong-ho had drawn up a bogus contract with a phony official seal of the Defense Ministry for sale of 17,000 pyong of land belonging to the Army Intelligence Command.

The Kim group signed a contract with Chong Kon-chung and his group of swindlers to sell the land for 76.5 billion won. The Kim group bilked 13.56 billion won as a contract fee.

The Chong group, which included Chong's brother, Chong Myong-u, and Chong Yong-chin (no relation), president of Sungmoo Construction Co., turned around

and defrauded First Life Insurance Co. of a total of 66 billion won—23 billion won in cash and 43 billion won in promissory bills—by offering to sell it 3,000 pyong of the Army Intelligence Command's land.

The entire scheme was initiated by Kim Yong-ho in collaboration with Kwak Su-yol, Sin Chon-su, Min Yong-chun, Kim In-su and Yim hwan-chong, who used an alleged special sale of Army Intelligence Command land as their bait, the prosecution said.

Regarding the whereabouts of the defrauded money, the prosecution said it had confirmed that 38.1 billion won had actually gone into the hands of the Chong group. The money was spent for various purposes by the members of the Chong group.

The prosecution traced some 27.89 billion won in promissory bills and interest.

As a result of these tracings, the prosecution said, it had concluded that no portion of the money went to politicians or to high government officials.

Chong Urges Kim Yong-sam To Drop Out of Race

SK2307023292 Seoul THE KOREA HERALD in English 23 Jul 92 pp 2, 3

[By staff reporter Choe Sang-hun]

[Text] The billionaire-turned-politician Chong Chu-yong waged an unusual duel with ruling party presidential candidate Kim Yong-sam Tuesday [21 July] evening.

In a hurriedly called news conference yesterday morning, Chong said that he had urged Kim to bow out of the presidential race to clear the way for his march toward Chongwadae.

As he recounted the story, Chong advised Kim, the leader of the ruling Democratic Liberal Party [DLP] which controls a majority of the 299 National Assembly seats, to study more about the economy before he makes a bid for the presidency.

"I reminded him that the people want a president who knows how to run the economy. I told him to step aside and open the way for me," Chong said.

Chong had a deal to offer Kim, according to him. "I told him that if he runs for the presidency next time, after studying economics for five more years, I will endorse him."

The embarrassed Kim interrupted, saying that "given my present situation, such a demand is impossible to accept."

Chong said he had to spend "considerable" time trying in vain to persuade the recalcitrant Kim out of the race.

Chong's comments immediately raised an uproar in ruling quarters. DLP officials vehemently denied Chong's allegation that it was Kim who first asked Chong to quit the presidential race.

A DLP vice spokesman, Yi Won-chong, said Chong broached the issue first, asking Kim to exit. According to Yi, the 77-year-old Chong, citing his age, said this would be his last presidential bid.

Yi said Chong must have been out of his senses to ask the legitimate presidential candidate of a big party to stay out of the race.

Yi also accused Chong of leaking the supposedly confidential matter to embarrass his political rival as he allegedly did with main opposition leader Kim Tae-chung last week.

No matter who asked whom first, the whole episode provided a revealing look at the distinctive characters of the two political leaders.

Kim is known for his political skills in cajoling enemies to join his ranks. Most recently, he subdued Rep. Yi Chong-chan's maverick voice within his party in behind-the-door political dealing.

Chong himself has never shied away from a fight. He has launched wild-card challenges which seemed reckless at first glance and then has subsequently changed the odds. He has done it all his life.

After building one of the nation's biggest conglomerates, Chong launched a quixotic bid for power earlier this year when he formed the United People's Party. So enthused by the results of the March National Assembly elections in which his party won as many as 31 seats, Chong decided to go all the way as his party's presidential candidate.

Chong is pointing to his experience as a successful businessman as evidence of his ability to improve the nation's economy. Yet Chong has been plagued by what he called "malignant rumors" that say he is not serious about the presidency and will finally step aside, raising Kim's hand in the final hours.

Tuesday's talks between Kim and Chong were largely fruitless as the two distinctive characters clashed. Chong charged yesterday that Kim would not listen to him and kept repeating his arguments. DLP officials retorted that Chong and UPP officials were more "rigid" than expected.

But both Kim and Chong learned one common thing from the talks, as they conceded yesterday. They met and found out in person that each was as stubborn—and obsessed with the desire for power—as the other.

Large National Construction Projects To Continue

SK2307094992 Seoul YONHAP in English 0753 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—President No Tae-u said Thursday that despite muted criticism that he was moving too fast, the government would push ahead this year with large projects such as construction of the

high-speed Seoul-Pusan railway and an international airport on Yongjong Island, off Inchon.

"At the time when administrative works are conducted in the open, there cannot be any favoritism or shady deals," No said. "The government will push these national projects as planned, through fair and effective selection processes."

The president was speaking at a luncheon he hosted at Chongwadae for the leaders of the nation's 30 largest business groups, including Chong Se-yong, chairman of the Hyundai Group, and Ku Cha- kyong, chairman of the Lucky-Goldstar Group.

No noted that the country's economy grew 7.3 percent in the first half of the year and retail price increases were held at 3.8 percent while the international balance of payments deficit was being reduced.

Although there had been some indication of a slowdown in certain sectors, No said, the nation's economy on the whole had entered a period of stabilization. His government hoped to carry out its economic policies through consistently and effectively minimizing the adverse effects of a transitional period.

As economic cooperation with the former Soviet Union was developing "our indirect security burden is being lessened and Russia regards our country as one of its best economic partners," he said.

He dismissed as short-sighted and impatient charges that South Korea-Russian economic cooperation was not producing the desired results. The president expressed hope that South Korean-Russian economic cooperation would pick up momentum when President Boris Yeltsin visits Seoul in September.

In connection with the current visit to the South by North Korean Deputy Premier Kim Tal-hyon, No stressed the need for a resolution of the nuclear issue ahead of any moves for inter-Korean economic cooperation.

The president was known to have advised the business leaders to be cautious in their approach to possible ventures in the North.

Commenting on South Korea's relations with Japan, No said that Korean businesses should actively take part in the formation of the Korea-Japan industrial technology cooperation foundation.

730 Soldiers To Make Up Peacekeeping Contingent

SK2307080992 Seoul YONHAP in English
0713 GMT 23 Jul 92

[Text] Seoul, July 23 (YONHAP)—The South Korean Government will contribute a 730-man contingent, including 540 officers and men of an infantry battalion, to United Nations peacekeeping operations (PKO).

The contingent also includes 154 engineers and medical personnel and 36 military observers, according to a source.

Concrete matters such as date of dispatch will be decided and made public soon, he said.

Burma

Bangladesh Envoy Says Refugee Flow Stopped

BK2207142292 Hong Kong AFP in English 1137 GMT 22 Jul 92

[Text] Rangoon July 22 (AFP)—No Burmese refugees have crossed into Bangladesh in recent days and conditions are now right for refugees in Bangladesh to begin returning home, Bangladesh's ambassador here said Wednesday.

Bangladesh and Burmese officials are due to hold talks Thursday in the Burmese border town of Muangdaw on the plight of some 270,000 Burmese Muslim refugees who have flowed into Bangladesh since late last year.

"The flow of refugees from Burma has stopped for the past four or five days so we can say the tide has turned," Mustafa Farooq Mohammad, the Bangladesh ambassador to Burma, told AFP.

The two countries reached an agreement last April under which Burma would accept all bona fide people who wished to return to Burma voluntarily.

At Thursday's talks, Bangladesh was expected to table "more concrete proposals" to provide "incentives" for Burmese refugees in Bangladesh to return home, Farooq said.

Burma has since mid May opened five reception camps along the border for the returnees. About 10,000 people drawn from lists provided by both sides have already been vetted for return, the state-run WORKING PEOPLE'S DAILY newspaper reported recently.

Farooq said that among the incentives to be proposed were the possibility of reciprocal visits by village elders in Burma and at the refugee camps to inspect conditions and allay the fears of those reluctant to go home.

"We have used several incentives such as showing videos of the reception camps already established and other indications that things are back to normal where they came from," Farooq said.

Burmese Muslims began flowing across the border into Bangladesh late last year citing persecution by authorities in predominantly Buddhist Burma.

The Muslims, known as Rohingyas, have demonstrated against repatriation plans since the April agreement was reached, demanding guarantees of safety if they returned home.

So far six people including one local resident have been killed in violence linked to repatriation.

A security officer in southeastern Bangladesh said Wednesday that tension in the camps was running high. Bangladesh Government officials said refugees in the camps were arming themselves and insurgent groups fighting Rangoon were supplying weapons and infiltrating the camps.

Railway Minister, Delegation Leave for PRC

BK2207142592 Rangoon Radio Burma in Burmese 1330 GMT 22 Jul 92

[Text] At the invitation of the Ministry of Railways of the People's Republic of China, U Win Sein, minister for rail transportation, and a five-member delegation left Yangon [Rangoon] for PRC by air at 1330 for a two-week study tour.

The delegation was seen off at Yangon airport by U Than Shwe, minister for industry-2; U Khin Maung Yin, minister for construction; U Soe Tha, minister for communications, post, and telegraphs; Chinese Ambassador Mr. Liang Feng and responsible officials; directors general and managing directors from the Ministry of Rail Transportation and the Ministry of Transport; senior departmental officials from the Myanmar [Burma] Railways families, and friends.

The delegation members were U Kyaw Myint, managing director of Myanmar Railways [MR]; Colonel Aung Thein from the Ministry of Rail Transportation; U Myint Maung Htay, deputy chief engineer of MR; U Tun Aye, deputy chief mechanical engineer, and U Myint Wai, the minister's personnel secretary.

Brunei, Malaysia & Singapore

Malaysia

Defense Minister Comments on Spratlys Issue

BK2307062692 Kuala Lumpur Voice of Malaysia in English 0600 GMT 23 Jul 92

[Text] Malaysia does not expect any military confrontation over the overlapping claims to the Spratly Islands in the South China Sea. Defense Minister Datuk Sri Najib Tun Razak said this was because of China's stand to settle the ownership of the islands through consultations. He was speaking to reporters at Parliament House in Kuala Lumpur. He said China had shown an attitude of compromise on resolving the matter and Malaysia hoped all concerned parties would arrive at a consensus to settle the claims over the islands.

General Zain Says UN To Pay UNTAC Expenses

BK2107112992 Kuala Lumpur BERNAMA in English 1038 GMT 21 Jul 92

[Text] Kuala Lumpur, July 21 (OANA-BERNAMA)—The United Nations is expected to reimburse Malaysia at the end of this month expenses incurred in sending its troops to serve under the United Nations Transitional Authority in Cambodia (UNTAC).

Defence Forces Chief General Yaacob Mohamed Zain said Malaysia had been informed that payment for its 850-member battalion serving in the peacekeeping force in the war-torn country was forthcoming.

"However, we don't know the total amount to be paid as there are several parts to the payment," he told reporters at the Royal Malaysian Navy (RMN) base in Lumut near here.

Gen. Yaacob, who is here on a two-day official visit, his first to the base since assuming the post last April, said the payments were for personal allowances, equipment and expenses incurred in sending the troops to Cambodia.

Citing an example, he said the UN paid US$980 per person for personnel who served with the peacekeeping forces in Namibia and he hoped that the same rate would be paid for those in Cambodia.

Gen. Yaacob said the delay in reimbursing payment did not in any way affect the morale of Malaysian troops serving in Cambodia as they were receiving their monthly salaries.

In addition, they received a daily allowance paid by the UN, he added.

He also said Malaysia was prepared and has the capacity to send a second battalion to Cambodia on condition the UN settled the earlier payments first.

"This is inevitable as we had to make use of all our budget allocations meant for operational expenses for the preparations and sending our troops to Cambodia," he added.

Malaysia was not in a position to send a second battalion if the UN was unable to provide immediate funding, he said.

Gen. Yaacob said Malaysia had earmarked a second battalion to take over from the present one in Cambodia if the peacekeeping mandate was extended beyond the one-year period.

Minister Reviews Australia, New Zealand Trip

BK2307071492 Kuala Lumpur BERNAMA in English 0621 GMT 23 Jul 92

[Text] Kuala Lumpur, July 23 (OANA-BERNAMA)—Malaysia's light aircraft joint venture with Australia will have its first unit for sale in September this year, says International Trade and Industry Minister Rafidah Aziz.

Rafidah, who returned home Wednesday, after leading a Malaysian trade delegation to Australia and New zealand said the joint venture had planned an initial production of 70 units.

The Perth-based project is a joint venture between Malaysia's Minister of Finance Inc. [as received] and Petronas (Malaysian National Oil Corporation) and Eagle Industries of Australia.

She said Malaysia hoped to be the location for the joint-venture's second assembly plant later after the project had gained a place in the small aircraft market.

The joint venture had already obtained 11 orders, she told newsmen here.

The two-seater trainer aircraft could also be used for commercial purposes such as farming and surveying as well as surveillance, she said, adding that a prototype of the aircraft had already logged several hundred hours of flying time.

Rafidah said the aircraft now needed certification from the relevant authorities in Australia, which was also accepted by the United States authorities.

On her just-concluded trip to Australia and New Zealand, Rafidah said it was expected to improve trade and private sector relations between Malaysia and the two countries.

She said the recent strained political relations between Malaysia and Australia due to biased reports by some of the Australian media had affected trade relations between the two countries.

She added that Australia was now making efforts to improve relations with Malaysia as well as with the other ASEAN countries.

Commentary Examines ASEAN-EC Relations

BK2107110192 Kuala Lumpur Voice of Malaysia in English 0800 GMT 21 Jul 92

[Station commentary]

[Text] While bombs and artillery fire continued to ravage Sarajevo despite the ceasefire agreements among the Serb, Croat, and Muslim forces, the foreign ministers of the 12-member European Community [EC] decided yesterday to seek the expulsion of Yugoslavia from the United Nations and all other world bodies. They also condemned the continued fighting in Bosnia-Hercegovina in violation of the EC-brokered ceasefire accord.

The meeting which commenced in Brussels yesterday was held amid reports that the ministers will focus more on world affairs to avoid any arguement among members, while the Maastricht Treaty's future still hangs above. The treaty is a plan for a shared forum on security policy, a central bank, and a common currency. Denmark voted to reject the treaty. Thus, while the former agenda at the Brussels meeting included domestic topics, some of these issues have caused friction before. The foreign ministers' desire to glide over these matters and divert attention to the separations around the world.

Of immediate interest to ASEAN is the EC's attitude at the post-ministerial conference, PMC, which will be held this week following the annual ministerial meeting of ASEAN today and tommorrow. The EC is one of ASEAN's dialogue

partners, the others being the U.S., Japan, Canada, Australia, New Zealand, and the new name on the list—South Korea. The PMC will discuss various issues of crucial concern to ASEAN. They include the environment, human rights, assistance in research and development, and science and technology transfer. Moving above all these topics is trade. With all eyes turned on the Single European Market, ASEAN will look forward for the strengthening of relationship between itself and the EC, particularly in the revision of a cooperation agreement signed between the two in 1980s.

ASEAN naturally expects economic cooperation to be based on a more equal footing. Efforts must be taken to reduce import restrictions and support more open trade. ASEAN is closely monitoring the developments of the European market with particular reference to some key issues, including the question of how much more market access there will be for developing countries to export not only primary comodities, but also an increasingly wide range of manufactured and semi-manufactured goods.

The PMC discussions with the U.S. and the EC, will offer the opportunities to (?deal) with sincerity on their part to bring the Uruguay round of the multilateral trade negotiations, MTN, to an early and successful conclusion. The talks have been in progress for six years, and are stalled by the uncompromising stand of the U.S. and the EC to agree on the agricultural subsidy issue.

Hopefully the PMC this week will help to identify ways to overcome the impasse so that the hope of ASEAN and the developing countries for a more open and freer international trading system may be realized in the near future.

Official Confident of Taiwanese Investments

BK2307041692 Kuala Lumpur BERNAMA in English 0340 GMT 23 Jul 92

[Text] Kuala Lumpur, July 23 (OANA-BERNAMA)—Statements on Taiwanese shifting their investments from Malaysia were made by individuals and did not reflect the views of the Taiwan Government, Malaysian Deputy International Trade and Industry Minister Chua Jui Meng said Thursday.

He added, however, Malaysia would continue with efforts to further improve the investment climate in the country.

This was necessary as the government was aware of attempts in Taiwan to divert the attention of investors in the country to elsewhere, allegedly because Malaysia was no longer suitable for them.

It is not correct to say that the Taiwan Government no longer encourages its entrepreneurs to invest in Malaysia, he said.

Chua said the private sector made decisions to invest overseas after taking into consideration which investments could bring the best returns.

The government was confident Taiwanese would continue to invest in Malaysia in view of the prevailing good investment climate and the fact that the country's facilities were comparable with those available in other countries.

On investments from other countries, Chua said the government had approved investments amounting to M [Malaysian] $4 billion (about U.S. $1.58 billion) from France and M [Malaysian] $2 billion (about U.S. $790 million) from Australia in the petroleum and gas industry in Bintulu and Manjong respectively.

Singapore

Taiwan To Invest in Batam Island Development

BK2207131792 Singapore THE STRAITS TIMES in English 21 Jul 92 p 40

[Text] The Taiwanese Government is focusing attention on Batam as an investment site to diversify its industrial base and to spread its investment risks.

It is now planning to invest US$10 billion (S$16 billion) in Batam over the next decade to turn it into a global manufacturing, financial, shipping and re-export centre.

Batam's port, called Asia Port will also be developed to handle containerised traffic so that it can complement Singapore.

To that end, a high-level nine-man delegation from Taipei, comprising senior economic officials and top private sector businessmen, was in Batam last week to knock out its plans.

The team also attended a forum organised by the Pacific Economic Co-operation Council.

A spokesman for the team said yesterday that the delegation which has returned to Taipei will present the plan to the Taiwanese government.

A task force would be set up immediately to look into the implementation of the plan.

The plan revolves around the Kuang Hwa Industrial Park, which is being developed over five phases.

The 340 hectare park, located in the Kabil district adjacent to the Hang Nadim Airport and Asia Port, is owned 75 per cent by the Taiwan Development and Trust Corporation (TDTC) and 25 per cent by Indonesia's Kayu Lapis Group.

Other aspects of the Batam plan include turning the industrial park into:

—A processing centre for Taiwan's deep-sea fisheries industry,
—A high-tech electronics park making semi-conductors and telecommunications products and,
—A raw material processing centre for commodities like palm oil, silica sand for the glass industry and iron ore.

The Taiwanese government also hopes to convert Batam into a financial and insurance centre to penetrate the ASEAN market.

Sources for the US$10-billion investment include state-owned companies like TDTC China Steel and China Petroleum, and an unnamed giant Taiwanese airline and shipping company.

The Batam development plan was put together by Taiwan's World Economics Society (WES), a semi-government think-tank established in 1974 to map out the country's strategy towards economic globalisation.

WES president Professor Bert Lim said in the plan that the massive infusion of funds into Batam is aimed partly at cooling the present Taiwanese investment fervour in China.

The Taiwanese want to diversify their investments away from China, whose political future they regard as uncertain.

Also, Taiwan hopes that through its involvement in Batam, it will have a bargaining chip in the signing of investment guarantee agreements with other ASEAN countries.

Agreement Signed on Access to Malaysian Airspace

BK2207125592 Singapore THE STRAITS TIMES in English 22 Jul 92 p 3

[By Rav Dhaliwal]

[Text] Singapore Airlines will be allowed to use Malaysian airspace to train its pilots on the Learjet from next month. Malaysia's Department of Civil Aviation has agreed to allow Singapore's national carrier to conduct four Learjet training flights daily over the country, said an SIA spokesman yesterday.

The agreement is valid for three months and renewable upon SIA's request.

The decision, which comes more than two years after Malaysia banned SIA training flights from its airspace, follows a request by the airline to the Kuala Lumpur government.

The airline can now fly twice a day along a route over Johor, Penang, Langkawi and back to Singapore and another two flights daily over Johor, Kuching, Kota Kinabalu and back.

An agreement was signed between SIA and the Malaysian Department of Civil Aviation in Kuala Lumpur last week to allow the training flights over Malaysia.

Sealing the agreement was SIA's director of corporate affairs, Mr Mathew Samuel, and Malaysia's Director-General of Civil Aviation, Dato Zolkipli bin Abdul.

"We are grateful to the Malaysian government for facilitating the flights " Mr Samuel said yesterday. "Use of Malaysian airspace is the most convenient arrangement for SIA."

An SIA spokesman added that the Learjet flights would help train pilots for commercial jet flights.

The company bought two Learjets at $24.4 million [Singapore dollars] to reduce the training period for pilots from cadet pilot to co-pilot.

The two-year training period which the trainees have to undergo on large jets, such as the 747-300 and 747-400, is cut by eight months while the one year training for the Airbus A-310 is halved.

Learjet flights, introduced after they arrived in November last year, were conducted from Singapore to Thailand, skirting round Malaysia.

Malaysian authorities stopped light aircraft from entering its airspace in early 1990.

The move affected both the Singapore Flying Club and the Singapore Flying College, a subsidiary of SIA, which trains pilots for the flag carrier.

A Malaysian Transport Ministry official then said the move was taken after considering the safety, security and interest of Malaysia's flying academy.

He explained that the country was trying to expand its own academy and its training facilities adding that the Singapore institutions would have to get permission to use Malaysia's airspace in future.

With trainee pilots unable to fly over Malaysia SIA set up a branch of its Singapore Flying College in Jandakot, near Perth, in Australia.

The 13-month training period of its pilots was split with about half of it being conducted here and the rest in Jandakot. The airline trains 70 pilots a year for the Commercial Pilots Licence with Instrument Rating.

Cambodia

UN's Akashi Takes 'Tough Line' With Khmer Rouge

BK2307051492 Hong Kong AFP in English 0442 GMT 23 Jul 92

[Text] Phnom Penh, July 23 (AFP)—The head of the U.N. peacekeeping operation in Cambodia, Yasushi Akashi, took a tough line with the Khmer Rouge on Thursday as more reports of ceasefire violations reached the capital.

In the last two days, fighting between Khmer Rouge and Phnom Penh government forces was reported in central, northern and southern Cambodia, with at least eight civilians killed and 11 injured, according to a U.N. spokesman.

"Unfortunately the present ceasefire violations continue to increase in number and seriousness," Akashi said as he convened a meeting of the Supreme National Council (SNC), which groups the leaders of the four Cambodian factions under U.N. supervision.

"The nature of these actions points to a deliberate policy of terror against ordinary Cambodians," he said.

The nominal leader of the Khmer Rouge, Khieu Samphan, looked on as Akashi read his criticism, then read a statement of his own reiterating that the radical faction would not go along with the peace plan until the Phnom Penh government was dismantled.

The U.N. mechanism for dealing with ceasefire violations, the Mixed Military Working Group, has broken down because the Khmer Rouge have not sent a representative for the last seven weeks, Akashi said.

"This raises fundamental questions about their commitment to the ceasefire as a whole," he said.

SNC chairman Prince Norodom Sihanouk pleaded with the Khmer Rouge to send a representative to such U.N. bodies.

Akashi also read out the text of this week's U.N. Security Council resolution, which threatens to withhold international development aid to the faction if it continues refusing to cooperate with U.N. peacekeepers.

"I think this is a very serious resolution," Akashi said.

Akashi said the two other former resistance factions, FUNCINPEC and the Khmer People's National Liberation Front (KPNLF), have expressed full support for the resolution.

Khieu Samphan in his statement said the Vietnamese troops who ousted his faction in 1979 and installed the current Phnom Penh government are still occupying Cambodia.

"Vietnamese forces continue to launch military operations against the Cambodian people and (our) forces, and to send fresh troops to Cambodia," he said.

"The Vietnamese cadres specialized in overt and covert warfare have been disguised as civilians to continue to organize, consolidate and expand the Vietnamese power networks in Cambodia," he said.

Hanoi maintains that all its troops were withdrawn in 1989.

Khieu Samphan asked that the dismantlement of the Phnom Penh government be placed on the agenda of the next SNC meeting.

He called again for the abolition of the currency issued by the Phnom Penh government, the riel, and said that all treaties and agreements signed by Phnom Penh and Vietnam concerning its common border were null and void.

The SNC also discussed setting up a technical advisory committee to manage Cambodia's resources, including gems and forests, which are being depleted without supervision through the border with Thailand.

Increased fighting was reported this week east of Siem Reap, north of the central city of Kompong Thom and in southern Kampot Province, according to U.N. officials.

Requests Stop to 'Racist Language'

BK2207142392 Hong Kong AFP in English 0935 GMT 22 Jul 92

[Text] Phnom Penh, July 22 (AFP)—The head of U.N. peacekeeping forces in Cambodia, Yasushi Akashi, has written to Khmer Rouge leaders to ask them to stop using racist language and undermining the U.N. effort, a spokesman said Wednesday.

The faction has been slamming the United Nations in its daily radio broadcasts from the mountains of western Cambodia and consistently uses the derogatory slur "yuon" for the Vietnamese minority living in the country.

The letter, sent Monday to Khmer Rouge nominal leader Khieu Samphan, asks the faction to cease "its inaccurate and partial reporting and its use of racist and inflammatory language directed at minority ethnic groups in Cambodia," said U.N. spokesman Eric Falt.

It expressed Akashi's "serious concern about the tone and substance of numerous recent broadcasts which not only are inaccurate but also appear to be designed to instigate racial hatred and undermine (U.N.) efforts," he said.

Khieu Samphan met Akashi on Wednesday after the U.N. Security Council passed a resolution threatening to cut off international aid to the radical faction.

The two discussed "matters of mutual interest" ahead of a Supreme National Council (SNC) meeting scheduled for Thursday, Falt said, but could not say if the U.N. resolution was discussed.

Khieu Samphan did not comment to reporters after the meeting with Akashi, but instead issued a statement dated Monday that until all Vietnamese settlers are evicted from Cambodia, the Khmer Rouge will consider the country under occupation.

"It is clear, at least to the Cambodian people, that to allow Vietnamese forces, military or not, to stay in Cambodia, it amounts to recognizing the right of Vietnam to forever maintain its occupation of Cambodia," the statement said.

It said nearly a million Vietnamese settlers were given Cambodian citizenship under the Hanoi-installed Phnom Penh government, and that these people must be expelled.

A second statement dated Wednesday and released at the same time said the faction would not accept ethnic Vietnamese voting in the U.N.-run election scheduled for May 1993.

Cambodian leaders were to have discussed the U.N.-proposed electoral law at the SNC, but it was removed from the agenda due to unresolved differences, diplomatic sources said.

Instead, economic and environmental issues would be discussed, they said.

In Khmer Rouge radio broadcasts, U.N. personnel have been called "evil people" who sleep with Vietnamese aggressors.

The radical faction maintains that the Vietnamese forces that overthrew them in 1979 are still occupying Cambodia despite Hanoi's insistence that all withdrew in 1989.

Khmer Rouge Cease-Fire Violations Continue

Kandal Cantonment Attacked 15-16 Jul

BK2107150592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 21 Jul 92

[Excerpt] According to reports from military units in Kandal Province, at 2045 on 15 July and at 2100 on 16 July, Khmer Rouge forces, backed by 60-mm mortar and B-40.5 support fire, launched attacks against the cantonment site of the 2d battalion of Kandal Province in Prek Koy area, causing serious damage to the position and wounding one of our soldiers.

At the same time, the Khmer Rouge also fired many shells on a number of villages in Prek Koy commune, namely Samraong Veng and Me Sar villages, affecting many families. A lot of property and many houses were seriously damaged; four houses were burned. [passage omitted]

Two Provinces Attacked 15, 19 Jul

BK2107060492 Phnom Penh SPK in English 0425 GMT 21 Jul 92

[Text] One civilian was killed and eight others wounded in Khmer Rouge's attacks in two provinces between July 15 and 19.

According to the Military Coordination Committee with the United Nations, on July 15 a group of Khmer Rouge from Division 980 fired 50 shells of 120- and 80-mm artillery on Kouk Thlork Leu village, Chikreng District, Siem Reap Province, killing one villager.

The committee added that the Khmer Rouge soldiers fired 100 H-107 rockets on Chi-Aok village, Kompong Thom Province, on July 19.

On the same day, Khmer Rouge of Division 417 made a looting spree in Louk Chak village of the same province, wounding eight civilians, the committee said.

11 Wounded by Land Mines, Rockets

BK2207123492 Phnom Penh SPK in English 1106 GMT 22 Jul 92

[Text] Phnom Penh SPK July 22—Eleven civilians were wounded in Khmer Rouge attacks and by mines laid by the faction during the third week this month.

According to military sources, nine people were injured on July 16 by land mines laid by Khmer Rouge along Road 12 in Rovieng District, Preah Vihear Province.

Road 12 linking from Kompong Thom to Preah Vihear had previously been under fierce fighting between the government forces and Khmer Rouge. Recently, the Khmer Rouge have launched several attacks to gain controlling of the road in an attempt to further expand their controlled zones in the north.

The sources also said that on July 19 the Khmer Rouge soldiers fired four H. 107 rockets on the provincial town of Kompong Thom [word indistinct] two people.

[Words indistinct] the group laid land mines on road [words indistinct] and at the entrance of the provincial airport used (?by) UN aircraft. Two of them were discovered and another were demined.

The sources added that four Khmer Rouge surrendered themselves to the government, one to Baray District, Kompong Thom Province, and three others to Rovieng District, Preah Vihear Province.

17 SRV Troops Reportedly Killed in Stung Treng

BK2207030792 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 21 Jul 92

[Excerpt] According to informed sources in Stung Treng Province, two trucks fully loaded with Vietnamese soldiers wearing the puppet army uniforms were sent on 10 July from Vietnamese Military Region 5 across the border via Route 19 to Stung Treng Province to attack the people there. The vehicles, however, were attacked and destroyed by the local people when they arrived at Chrap Village in the province. In the attack, 17 Vietnamese soldiers, including six officers with the ranks of captain and major, were killed. [passage omitted]

Dissolution of Phnom Penh Government Urged

BK2107051992 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 20 Jul 92

[Station editorial: "The Cambodian Nation and People Pledge To Defend the Cambodian Nation and Race Within the Framework of the Paris Agreement"]

[Text] The implementation of the Paris agreement is at a stage of life or death for the Cambodian nation and people.

We must bear in mind that the enemy to our Cambodian nation and people has never had any mercy or kindness when it comes to handing out peace and independence to the Cambodian people.

The implementation of the Paris agreement for the past eight months and more clearly indicates that the Yuon [derogatory term for Vietnamese] aggressors and their

cohorts have not in the least changed their strategy of aggression, expansion, and annexation against Cambodia.

On the contrary, they have sought all means to turn the Paris agreement into an agreement or strategy to destroy Democratic Kampuchea, through which they can completely smash the Cambodian national resistance forces and Cambodian people. To fulfill this aim, so far:

1. They have tried to maintain all categories of the Yuon aggressor forces in Cambodia. They have also sent more Vietnamese nationals to Cambodia. There are now two million of them.
2. They have tried to maintain and defend the traitorous puppet regime installed by the Yuon aggressors so as to enable it to continue controlling and managing Cambodia's state affairs.
3. They have tried to organize a farcical election under the regime installed in Phnom Penh by the Yuon aggressors. This includes the arrangement for the Vietnamese nationals to have the right to vote.

We would like to ask: If the Yuon aggressors are allowed to realize this aim, what will happen to the Cambodian people and race? What will happen to peace, security, and stability in this region? And then, who will redress the situation?

The Cambodian people and Cambodian national resistance forces have clearly determined that the only way for Cambodia to survive is to correctly implement the 23 October 1991 Paris agreement. The key point in the agreement is to let the quadripartite Supreme National Council play a concrete role as the unique source of authority operating in close cooperation with the UNTAC in order to implement the Paris agreement in its entirety.

For the time being, no other government should exist. As a matter of fact, the Phnom Penh government installed by the Yuon aggressors should no longer exist.

Hun Sen Says Elections To Be Held As Planned

BK2307071192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 22 Jul 92

[Text] Mr. Hun Sen, chairman of the Council of Ministers, granted an interview to the crew of Australia's Special Broadcasting Services [SBS] led by Mrs. Jennar Sevir at 0930 on 20 July. Answering a question about his view on the exhibition of Cambodia's culture and arts in Canberra, the chairman said: This is the first time ever we have allowed for the exhibition of Cambodian sculptures overseas, that is in Canberra. This gesture shows our government's trust in the Australian Government.

The chairman added: Those antiques are innocent, but have been subject to willful destruction. The heritage, however, is for cementing the relations of the entire Cambodian people regardless of their political leanings and diverse beliefs. The cultural legacy is, at all times, the symbol of the one and only Cambodian nation except the Khmer Rouge, who have so far continued ceaselessly to ruin national heritage. Chairman Hun Sen also deeply regretted that over the past 12 years, the Phnom Penh government has not received any substantial support for the protection of the cultural heritage except for minimal assistance from India and some international organizations. He pointed out that the heritage does not only belong to the Phnom Penh government, but it is also the collective treasure of the entire Cambodian people and mankind. During the past more than 12 years, the national patrimony has been turned into a political hostage. The chairman proudly mentioned that: Despite facing hardship due to the lack of outside assistance, the Phnom Penh government has, all the same, been able to exert its all-out efforts to protect the national cultural legacy.

On the question concerning the Khmer Rouge's continued boycott of the implementation of the Paris accord, the prime minister said: Although the Khmer Rouge have further committed violations and refused to execute the peace accord, elections will be held as scheduled. Two possibilities, however, should be raised: elections to be held nationwide with the Khmer Rouge's participation and elections without the Khmer Rouge's participation. On this issue, we are of the opinion that too much importance should not be given to the Khmer Rouge. Some rebels in a number of countries in Southeast Asia have carried on their hostilities, but they have not been capable of forestalling general elections at will. If we give too much importance to the Khmer Rouge, we will certainly become their hostages. Despite the Khmer Rouge's ongoing veto, we should move forward to prevent the accord's implementation from being stalled because of the Khmer Rouge's veto. In the accord itself, there is a clause stipulating that in case there is no consensus, Prince Norodom Sihanouk or the UN special representative are entitled to decide.

Before concluding, the chairman of the Council of Ministers, Hun Sen, enthusiastically welcomed Australia's role in mapping out the peace plan for Cambodia, dispatching Australian forces within the UNAMIC [UN Advance Mission in Cambodia] to Cambodia, and assigning General John Sanderson to the command of the UNTAC forces in Cambodia. In addition, a number of Australian companies have invested in Cambodia with a view to restoring Cambodia's economy. Those facts have made us become optimistic about future Cambodian-Australian relations.

Khieu Samphan Letter Rejects Electoral Bill

BK2307012492 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Jul 92

["Excerpt" from Khieu Samphan's 22 July letter to Akashi, head of the UN Transitional Authority in Cambodia—read by announcer]

[Text] On 22 July, His Excellency [H.E.] Khieu Samphan wrote to H.E. Akashi, special representative of the UN

secretary general and head of the UN Transitional Authority in Cambodia [UNTAC] [rathaka bandaoh asan angka sahak pracheacheat nou kampuchea]. The following is the excerpt of the letter:

His Excellency: I am honored to again inform you about the electoral bill drafted by yourself. There is a clause in the bill stipulating that whoever is born in Cambodia with parents also born in Cambodia is considered as a Cambodian citizen. In view of the bill, all foreigners, specifically all Vietnamese citizens taking refuge in Cambodia, can be considered Cambodian citizens and are eligible to participate in elections.

No Cambodian can accept a bill, which leads to a Vietnamization of Cambodia. And the party of Democratic Kampuchea [PDK] is absolutely opposed to the bill and demands that Your Excellency reconsider the issue because it is a question of the survival of our nation and people.

Moreover, I agree with a great many members of the Supreme National Council [SNC] who have demanded that the right to vote of the Cambodian nationals living abroad be respected. I request that you take appropriate measures to allow overseas Cambodians to register and cast their votes in a number of cities abroad.

Your Excellency, please, accept my highest regards.

[Signed] Khieu Samphan, head of the party of Democratic Kampuchea and member of the Supreme National Council.

FUNCINPEC Says Canvassers Harassed

BK2207143492 Hong Kong AFP in English 1101 GMT 22 Jul 92

[Text] Phnom Penh, July 22 (AFP)—The political party loyal to Prince Norodom Sihanouk, but which opposes the Phnom Penh Government, charged Wednesday that its election campaigners are being harassed and intimidated.

"The only crime of these innocent people is being members of our party or they dare to express support for FUNCINPEC," the faction said in a statement.

It detailed two cases in northwestern Battambang Province, one July 15 and another July 19, in which two men who had been attending a campaigning seminar for FUNCINPEC were threatened by armed policemen upon their return home.

The police came after 9 p.m. in both cases, FUNCINPEC said, noting that one man "succeeded in fleeing the arrest and went to hide" elsewhere.

The report could not be immediately verified or refuted by the Phnom Penh Government officials.

"As long as this situation continues, Cambodia will never have free and fair elections," FUNCINPEC said.

The United Nations-run elections are scheduled for May 1993.

Refusal To Accept Riel Reportedly Widespread

BK2307030092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Jul 92

[Text] The refusal of the people's movement to accept the Vietnamese puppets' riel bank notes is manifestly widespread thus far. Because the people have seen that:

1. The Vietnamese puppets' currency notes are only sheets of paper designed to totally plunder the people's production and property. In other words, Vietnamese aggressors have forced the people with threats to accept their riel bank notes, which are worthless as cigarette paper and cannot be used to buy anything since they are no longer accepted.

2. The people are of the opinion that, with the Paris 23 October 1991 accord, the Supreme National Council headed by Head of State Samdech Nodorom Sihanouk, and the UNTAC [UN Transitional Authority in Cambodia], they can no longer allow the Vietnamese aggressors and puppets to further plunder their possessions through the use of the riel currency.

In the situation where the people have risen up and defied the use of their currency notes, the Vietnamese aggressors and the traitorous puppets Chea Sim, Hun Sen, and Heng Samrin have ordered their forces to quell the people. This action, however, has instigated the people's frenzied furor and turned it into a public movement to chase, lambaste, and attack the Vietnamese puppets.

Currently, protests against the Vietnamese aggressors and their traitorous puppets and lackeys and the refusal to accept their riel bank notes are widespread across the country.

Vice Premier Chakkrapong Receives Thai Ambassador

BK2207132092 Phnom Penh SPK in English 1110 GMT 22 Jul 92

[Text] Phnom Penh SPK July 22—Prince Norodom Chakkrapong, vice prime minister of the State of Cambodia, received here Tuesday Sunai Bunya Siriphan, Thai ambassador to the Supreme National Council of Cambodia (SNC).

During his talk with the Thai ambassador, Prince Norodom Chakkrapong, son of SNC Chairman Prince Norodom Sihanouk, spoke of favorable conditions provided by the economic open-door policy of the Government of the State of Cambodia for foreign companies which are interested in investing in Cambodia.

He said the Cambodian Government has been working out draft investment law to encourage foreign companies to cooperate with the State of Cambodia in doing business in the country.

The prince also expressed thanks to Thai Government for its contributions to the reconstruction of Cambodia, especially to the peace process.

Thailand has opened its diplomatic mission in Phnom Penh since November 17, 1991, only four days after SNC Chairman Prince Norodom Sihanouk returned here.

Hor Namhong Receives Human Rights Delegation

BK2207073392 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Jul 92

[Text] On the morning of 20 July at the office of the Foreign Ministry, His Excellency [H.E.] Hor Namhong, State of Cambodia's foreign minister and member of the Cambodian Supreme National Council, received a delegation of the International League of Human Rights, which includes Raul Jennar, Mrs. Jennifer De Laurio, and Olivier Nomans.

H.E. Hor Namhong told the guests about the implementation of democracy and human rights in Cambodia and the forthcoming elections. H.E. Hor Namhong stressed that the State of Cambodia has implemented the Paris ag,eement, respected human rights, and fully adhered to democracy. Concerning human rights, the State of Cambodia has cooperated with the International Committee of the Red Cross and released all political and war prisoners. There is now full freedom in Cambodia to set up newspapers and political parties, and freedom of belief, and so on. Furthermore, the UN Transitional Authority in Cambodia has daily broadcast over television and radio programs on human rights to educate the Cambodian people.

He also informed the guests about the delay in implementing the Paris agreement because the Khmer Rouge side has imposed conditions contrary to the Paris agreement; this is threatening the peace plan. H.E. Hor Namhong added that due to the Khmer Rouge's intransigence and constant violations of the Paris agreement, the international community should put pressure on the Khmer Rouge to abide by the Paris agreement. Finally, H.E. Hor Namhong stressed that he is happy with the delegation's visit to Cambodia to see and hear for itself the issues of human rights and the implementation of democracy.

The delegation thanked H.E. Hor Namhong for taking time to explain to the delegation on all issues dealing with the situation and the implementation of democracy and human rights. It promised to seek further understanding on these issues during the delegation's stay in Cambodia.

Vice Premier Attends Repatriation Meeting

BK2207074392 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 21 Jul 92

[Text] On 18 July a meeting was held at an international hotel to review the repatriation of Cambodian refugees. Present on the occasion were Kong Sam-ol, member of the Cambodian People's Party [CPP] Central Committee, vice chairman of the Council of Ministers, and chairman of the repatriation committee; representatives from 13 provinces and cities; and representatives from a number of ministries involved with the above committee.

Dr. Mi Samedi, deputy health minister, general secretary of the Cambodian Red Cross, and office chief of the executive secretariat in charge of repatriation, read a report on changes concerning repatriation over the past period, particularly difficulties concerning budget delay, mines, and the networks of roads and bridges which continue to be a major problem.

The deputy minister added that without major obstacles, the repatriation of Cambodian refugees would be completed in the next six months. Members of the audience attentively listened to reports from the provinces and cities highlighting problems and favorable conditions encountered in welcoming returnees and also experiences to be used in continuing the repatriation work. Representatives from ministries and services involved in repatriation work stressed the possibility to expand the work on improving the life of Cambodian returnees.

Kong Sam-ol praised and highly appreciated the efforts of cadres and personnel to serve the repatriation with the assistance and support from a number of international organizations, the International Commitee of the Red Cross, and the UN High Commissioner for Refugees. Kong Sam-ol called on all representatives to act in such a way as to make Cambodian returnees have a clear understanding and trust in the CPP and the State of Cambodia's Government which constantly strive to overcome all kinds of difficulties for the benefit of the people, country, and nation.

Philippines

PRC Disappointed With Spratlys Declaration

HK2307092492 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 23 Jul 92

[Italicized passages in English]

[Text] The People's Republic of China has emphatically assailed the ASEAN declaration establishing peaceful talks by the six countries claiming sovereignty over the controversial Spratly Islands. Here is Rey Arquiza with the details:

[Arquiza] China has expressed disappointment over the issuance of the ASEAN declaration asking all claimant

countries of the Spratly Islands to discuss the issues of jurisdiction and sovereignty through peaceful means.

Chinese Ambassador [title as heard] Qian Qichen said they do not agree with everything the declaration states on the resolution of the Spratlys issue. Qichen [as heard] said: *We appreciate some of the basic principles contained in the declaration on how to resolve the dispute in the South China Sea.*

Unlike Vietnam which has fully supported the declaration, China does not agree with all its contents. China does not want to negotiate sovereignty and jurisdiction over the Spratlys with claimant countries because this contradicts its claim over the whole Spratly Islands.

Ambassador Qichen's statement indicates they do not want to negotiate on Spratlys ownership. *We are ready to enter into negotiations with the countries concerned when conditions are ripe,* Ambassador Qichen said. Apart from this, China continues to refer to the Spratlys as Nansha and has never referred to them as the Spratlys.

China agreed against the use of force on the Spratlys issue, but its agreement depends on developments in the area.

Yesterday, it was reported that China issued new restrictions for those fishing in the Spratlys, allowing fishermen to fish only at certain times it has set. Aside from this, China has increased its military troops in the Spratlys—so has Vietnam—in order to reinforce claims on the islands. China and Vietnam are not signatories to the ASEAN Declaration and are not members of ASEAN.

New Taxes, Asset Sales To Raise Revenue Planned

HK2307035092 Quezon City MALAYA in English 23 Jul 92 p 1

[By Cherrie Velarde]

[Text] President Ramos said yesterday he will definitely impose new luxury taxes and will even sell the government's Roppongi estate in Japan to raise money for development projects and revitalize the economy.

"We need to raise new money now so we can finance infrastructure projects and other programs aimed at stimulating the economy," Ramos said in a speech before the Bishops-Businessmen's Conference at the Manila Hotel.

Other revenue measures in the President's legislative agenda are:

—Sale of the Philippine Centers in Australia and the United States.
—Further privatization of the Philippine Airlines.
—Simplifying the value added tax [VAT] system and replacement of some percentage taxes with VAT.
—Raising tax evasion penalties and passing a racketeering, influence, corruption and organized crime act (RICO) aimed at economic crimes.
—Raising the 1993 budget by P21.8 billion [Philippine pesos] to P330.2 billion to meet new outlays for labor, environment and infrastructure programs.
—Creation of a Department of Energy which will also be given the task of handling the P1-billion energy development fund from the Oil Price Stabilization Fund.

Ramos said he will also ask Congress to:
—Pass an alien legalization act and attract foreign investors by amending the condominium act.
—Pass bills on public works, elementary education, manpower development and modernization of the armed forces.
—Amend the public service act.
—Restore the death penalty.
—Pass a proposed amnesty bill.

Ramos earlier drafted a new tax bill which would raise by 100 percent taxes on luxury items, including luxury cars, golf club memberships, and condominiums, and raise the tax rates of tobacco and alcohol products and non-essential items.

Ramos warned that he will also adopt drastic tax collection measures imposed by Argentina to ensure that the rich and professionals pay their taxes correctly.

"We are going to review once more how taxes are being collected in the country. The taxes from lawyers (and) doctors are sometimes difficult to assess and the government often only takes their word for it. But now we are going to follow the formulas used by Argentina," Ramos said.

Under the formula, Ramos said, tax investigators will scrutinize the finances of professionals to ensure that they pay the correct taxes. More tax investigators will be fielded, he said.

He said "the intention of the new taxes is to tax those who use most of these luxury items."

"I am sorry if I step on some of your toes, but these people are those who own Mercedes Benzes and condominiums. Fees of golf clubs will also be taxed," Ramos said.

Legislators who met with Ramos in Malacanang to discuss his legislative agenda expressed support for the passage of revenue bills.

"The President can expect support from the Laban ng Demokratikong Pilipino [Struggle of the Filipinos Democrats] on his agenda," Senate President Neptali Gonzales, also LDP president, said.

Sen. John Osmena (NPC) [National People's Coalition] said his group is "generally agreeable to the proposed agenda."

Sugar Tariff Increase Approved

HK2307060092 Manila MANILA BULLETIN in English 23 Jul 92 pp 1, 12

[By Cherry Velarde]

[Text] President Ramos approved yesterday the lifting of import restrictions on raw sugar but at the same time increased duty on the product from 50 percent ad valorem to 75 percent up to 1995.

Presidential spokesperson Annabelle Abaya said the move was intended to prevent overpricing of sugar in the country which is a basic commodity for many industries and households.

The lifting of the import restriction was acted upon the recommendation of a four-man government panel composed of Trade Secretary Rizalino Navarro, Agriculture Secretary Roberto Sebastian, Central Bank Governor Jose Cuisia and Cielito Habito, director general of the National Economic Development Authority.

The increase on the duty of raw sugar was also intended to prevent oversupply and dumping of the product. The Malacanang directive said duty will revert to 50 percent ad valorem in 1995.

The lifting of the import restriction shall take effect when the additional duty is already in place.

Abaya also announced that the President has authorized the import liberalization of vehicles used to transport sugar in the country.

She added the President also approved the scrapping of duties for all types of fertilizers except phosphatics.

Angara Named Senate President Pro Tempore

HK2307034692 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 22 Jul 92

[Text] Senator Edgardo Angara was given the position Senate President Pro Tempore by the Struggle of Filipino Democrats [LDP] after the position was taken away from Senator Teofisto Guingona, who resigned from the LDP.

Senator Agapito Aquino said Angara was chosen because he was worthy of the position. He also said Guingona's expulsion from the party would serve as a warning to other LDP members who plan to support the coalition being formed in the Senate.

Communists Reject Amnesty Offer, Demand Reforms

HK2307034892 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 22 Jul 92

[Text] The National Democratic Front [NDF] has stressed that they will continue their armed struggle despite President Ramos' offer for reconciliation and amnesty to both leftist and rightist rebels.

In an interview with DWIZ Headline Patrol, Filipe (Marcial), of the NDF, said Ramos must first release all political prisoners in the country and stop its total war policy to give way to genuine peace talks with the NDF. He also said there is also a need to implement genuine agrarian reform if the government wants an end to the 23-year conflict between the government and the communist movement.

Communist Rebels Arrested in Three Negros Cities

HK2307123892 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 23 Jul 92

[Text] Twelve New People's Army [NPA] rebels were arrested yesterday during simultaneous raids at Silay City, Bacolod City and Bago City, which, according to the military, are the centers of the Communist Party of the Philippines [CPP]-NPA's Negros Island regional transportation and communications bureau [NRTCB].

Among those arrested yesterday were Marlon Granada alias Edgar, said to be the head of the CPP-NRTCB; Evita Granada; Noel Gawan; Sildna Rowales; Rowland Divinagracia; Evelyn Roa; Isidro Cabales; Pacifico dela Cruz; Nenita Pondales dela Cruz; Rome Paler Pogante; Raymund Manglangit; and Edgar Roldan.

Confiscated during the raid were 10 tranceivers, five antennas, a battery pack, stethoscope, blood pressure equipment, medicines, and boxes of subversive documents. Also confiscate were several tape recordings of radio messages which were monitored from the provincial capitol radio room, the police, and the military.

Brigadier General Donato Quintos, the Negros Island commander, said their find is the center of the communication and transportation network of the CPP-NPA in the island of Negros.

According to Colonel Raul Rogelio, 301st Brigade commander, he was able to talk to the twelve rebels, and all of them were in favor of the amnesty being offered by the Ramos government.

Military 'Front' Steps Up Youth Recruitment

HK2307055292 Manila BUSINESS WORLD in English 23 Jul 92 p 12

[By Wilfredo G. Reyes]

[Text] The Kilusang Pilipinismo [Philippinism Movement] (KP), suspected by the intelligence community as a front organization of the ultra rightist Young Officers' Union (YOU), is set to intensify its recruitment campaign to include youths in school campuses, labor unions and professional organizations.

Armed Forces of the Philippines (AFP) Civil Relations Service (CRS) chief Brig. Gen. Romeo A. Padiernos disclosed the KP's youth section recently conducted a "mass course" for new members somewhere in San Jose del Monte, Bulacan. He added a KP affiliate, the Bukluran ng Maralita ag Kalunsuran (BUKAMA), also conducted a separate training course in the same province for about 50 new recruits from Metro Manila's slum

communities. Gen. Padiernos said the AFP is still ascertaining the idenities of two AFP personnel who attended the training.

The CRS chief noted the KP uses a rehashed version of Mr. Ferdinand Marcos's "Filipino Ideology," which was actually authored by former communist youth leader Nilo Tayag. A strategic analyst of the Center for Research and Communication (CRC) concurred, adding the ideological bend of the YOU distinguishes it from its "short sighted, personality oriented" RAM and "loyalist" SFP allies. "Their political agenda is more structured and more stable," the analyst observed. The CRC source also said YOU cadres seem to have patterned their organizational frame-work and strategy after their CPP/NDF [Communist Party of the Philippines-National Democratic Front] counterpart, targetting all social sectors.

Gen. Padiernos recalled the KP formulated a ten-point program that emphasized "the indigenous development of their ideology." While he assured there was "nothing offensive or threatening about the group's goals", he urged the KP leadership "to work within legal bounds and shun the violent tendencies of the other groups ... specifically the Communist Party of the Philippines." He also asked these leaders "to be vigilant against the possible manipulations of vested interest groups."

Nevertheless, the CRS chief appeared willing to give the KP the benefit of the doubt. While he hinted military intelligence has intensified its surveillance of the group, he declared that "the KP poses no security threat." An AFP general staff officer concurred, admitting: "We have not yet established a direct link between the KP and the YOU."

Thailand

Tribunal Says Amnesty Decree on May Unrest Legal

BK2207124892 Bangkok Radio Thailand Network in Thai 1210 GMT 22 Jul 92

[Text] Phaisit Phiphatthanakun, secretary general of the National Assembly, told reporters this afternoon that the Constitutional Tribunal had sent its ruling on the amnesty decree to him. The ruling says the amnesty decree does not violate the Constitution.

So the amnesty decree will be forwarded to the House of Representatives to be elected in the 13 September general election for its consideration. If the decree is not approved by the House of Representatives, that will have no effect [on enforcement of the decree before the House of Representative's disapproval.] If the House of Representatives approves the decree, it will be forwarded to the Senate for consideration and the decree will become effective.

Pro-Military Movement To Hold Rally 23 Jul

BK2307042792 Bangkok THE NATION in English 23 Jul 92 p A1

[Text] An apparently pro-military movement will organize a rally today at Sanam Luang to "expose" what it calls the pro-democracy movement's attempt to "undermine the country."

The rally was publicized in the Thai-language DAILY MIRROR newspaper, owned by Prachakon Thai Party leader Samak Suntharawet who has several times defended the bloody crackdown on pro-democracy demonstrators.

Groups of people yesterday showed up in pick-up trucks with public address systems in several areas of Bangkok to invite people to join the rally.

The unnamed group said it was an organization to protect the constitutional monarchy, but some observers believe it is the Aphirak Chakkri (Protect the Dynasty) umbrella group which was formed by a retired military officer to unite several pro-military groups.

Aphirak Chakkri leader Amon Suwanbuppha has admitted the group includes people who were active when the ultra-right movement crushed the pro-democracy student movement in 1976. The pro-military groups played a key role in the bloody suppression.

The group said in its newspaper announcement that it was against both military and "mass coups," apparently referring to the anti-Suchinda rallies.

Commenting on the planned rally, Prime Minister Anan Panyarachun said yesterday that no group should be allowed to monopolize patriotism.

Asked whether the rally would confuse the public, Anan said he believed the public would be able to tell the difference between good and evil.

Business Group Members Not To Run in Elections

BK2207015992 Bangkok BANGKOK POST in English 22 Jul 92 p 26

[Text] Most businessmen in the Business Management Service Co Ltd (BMS) have decided not to run in the upcoming general election because they are not confident they will remain neutral and perform well as members of Parliament [MPs]. A key BMS member, SP International Ltd president Chumphon Pornprapha, said most businessmen in the BMS had decided not to stand because they were not sure they could become good MPs. In the present political climate, it did not necessarily follow that good and successful businessmen would have similar success in politics, Mr Chumphon said.

Many of the the businessmen, such as BMS president and GF Finance and Securities Chairman Narongchai Akrasan and Siam Commerical Bank senior executive vice president Oran Chaiprawat, were also professional businessmen and would have to resign their positions to

contest the election, he said. If they were not elected, problems could arise over whether they could be reinstated or not. If they remained in their positions after they were elected, there was "no guarantee they could remain neutral", he said. Businessmen who became politicians risked public criticism that they were not neutral, he said.

The role of BMS members in the forthcoming election would be to stimulate consciousness of democracy among the people and to encourage people to vote responsibly. The BMS's previously-agreed purposes were to provide financial support to some candidates, to run in the election and to persuade businessmen to become advisors to, or central committee members of, political parties.

BMS businessmen would encourage awareness of democracy among employees in their companies and cooperate with three private institutions—the Federation of Thai Industries [FTI], the Thai Bankers' Association and the Board of Trade of Thailand—to stimulate political consciousness among businessmen through seminars.

He said the first seminar would be held July 30 and more than 600 businessmen were expected to participate. Several firms would also place advertisements in newspapers to promote democracy. His company would place advertisements in KHAO KHAENG business newspapers on August 13.

Dr Narongchai declined to discuss why BMS businessmen had decided not to contest the poll.

"The BMS group is not in existence. What appeared in the past was written deliberately by newspapers themselves," he said.

It was difficult for businessmen to support political parties because of the swiftness of political change, he said. If there was no serious corruption after the election, business would not be affected. He forecast that the elected government would last more than a year, during which business would expand. He also believed there would be no coup or riot in the first year after the election.

FTI president Chokechai Aksaranan said he was hopeful the new elected government would contribute good things to the country. The private sector was healthy and ready to cooperate with the government to revive the country's economy, he said.

Nava Finance and Securities managing director Thanadi Sophonsiri said he had decided not to run in the election because the political picture was unclear. He was interested in joining politics and many friends in the BMS had encouraged him to contest the poll.

One major reason for deciding not to run was that it was difficult to tell what political patterns would develop after the election, Mr Thanadi said.

"I admit that I'm afraid to contest because politics is considered a new world completely for me," he said. He said he only had business experience and was afraid he would fail in politics. He believed all businessmen in the group shared his reasons for pulling out.

Most BMS members also held senior business positions equivalent to C10-11 in the civil service. But after entering politics they could be forced to start their professional lives again at C2-3 level, he said. So far, he had not heard of any of his friends in the BMS deciding to contest the poll, except Arkon Huntrakun.

"We did not expect much. But it becomes big news because of overspeculation by others in our group," he said.

Although few group members would contest the election, members would still take part in the campaign for democracy through the "Ploenchit 35" group. The group would decide after July 27 which "good" MPs it would back.

Mr Thanadi also said most of the country's businessmen already had an indirect role in politics. He urged the Government to encourage this situation, for example by calling on businessmen to openly provide financial backing to the parties they favoiured. In other countries, businessmen gave financial assistance to their favourite parties via private organisations or institutions of which they were members.

Bangkok Bank Reviews State of Economic

BK2207054592 Bangkok THE NATION in English 22 Jul 92 p B2

[By the Research Department of Bangkok Bank]

[Text] During the first four months of 1992, before the political crisis, the Thai economy was growing satisfactorily, buoyed along by domestic factors. Industrial production was picking up well in the early part of the year, compared to the end of last year. This was due to stepped-up production to rebuild stocks after inventory drawdown towards the end of 1991 when businesses had endeavoured to reduce their stocks in anticipation of the introduction of the VAT (value-added tax) system on Jan 1, 1992.

Investment projects begun in 1991 continued unabated, while the economy enjoyed the stimulus provided by the expansionary fiscal policy implemented by the Anan Panyarachun administration. The policy measures included firstly the adjustment of the income tax system—introduced at the beginning of 1992—which effectively reduced personal income tax and corporate income tax of non-listed companies, and secondly the upward adjustment of the salaries of all government employees which prompted employers in the private sector to follow suit. Apart from this the domestic money market was highly liquid, dampening interest rates. However, whereas these factors normally stimulate the Thai economy to stronger activity, on this occasion it has been disappointing, due to various negative factors, especially the political unrest in May, the slower than

expected recovery of the world economy, and a slowdown of capital inflow particularly from lapan, a major source of funds for Thailand. Not only has the Japanese economy been experiencing a significant recession, their banks have had to comply with the BIS [Bank for International Settlement] regulations on the capital to risk assets ratio, the end result of which has been a significant cutback on credit extension.

However, in the present year, political instability has become a major factor affecting the growth of the Thai economy. The negative effects of the political unrest in May can be summarized as follows:

—In the short term, economic damage and loss is in two forms. Firstly damage that can be rectified quite quickly—that is to say, loss due to the stopping of activities, both in the public and private sectors, during the time of crisis; such as production, export transportation. This type of loss can be recovered later on by extending working hours and exerting greater effort to recover as much and as soon as possible.

The second type of loss is that which cannot be recovered. This includes the reduced number of tourists, the loss of production, of trade, and of the export of perishables or seasonal goods during the crisis. Fortunately, as the crisis was brought to an abrupt end by the King's intervention, this short-term damage is not expected to be very extensive.

In the long term—this is the loss resulting from undermined trust and confidence of both local and foreign investors, which will take the form of reduced investment and the shelving of new projects, or the transferring of investment projects to other countries. Also, as the government will be preoccupied with attempting to rectify problems, long-term development projects may not receive adequate attention. These unfavourable long-term repercussions, however, have been alleviated to a large extent by the reappointment of Anan to the position of prime minister, as his government is accepted and trusted by both the Thai populace and the international community. Various measures to be implemented by the Anan government include a remodelling of the Internal Security Command and armed forces command which will bring both more in line with the present-day requirements of the country and avoid the repetition of past mistakes. Electoral adjustments are also due to be made as part of the overall process to enhance the country's democratic maturing process. These will help improve Thailand's image abroad and make the country more democratically mature in the long run. As the fundamentals of the Thai economy and society are still very strong, it is expected that the Thai economy will soon regain its past vigor with foreign investors and tourists coming back to the country in large numbers.

The sectoral performance may be summarized as follows:

The agricultural sector is expected to grow by approximately 3.5 per cent because output of principal crops during the past season expanded rather well. However dry-season crops, both up-land crops and garden crops, are severely affected by a long, unusually hot dry season in several areas. According to the Ministry of Agriculture's assessment, a total area of 5.7 million rai in 59 provinces were affected by severe drought and some 0.644 million rai, or 11.2 per cent suffered irreparable damage. The industrial sector is expected to expand by 10.5 per cent in 1992, as against the rate of 11.3 per cent in 1991. The lower growth rate is attributed to the following causes: slow recovery of the world economy, changes in the domestic tax structure of some industrial goods; complication arising from VAT; inadequacy of infrastructure and eroded advantages in labour costs. Production and exports of industrial goods are expected to be affected only slightly and temporarily by the political unrest as orders which were withheld have since been forwarded.

Among industrial goods, textiles particularly garments, have shown a highly satisfactory result in terms of export expansion. This is because the US extended its agreements on textiles with Thailand in July 1991, while negotiations with the EC were succesful. As a consequence Thailand has been able to secure more export quota to the quota markets. Over and above this, the Thai authorities have also given out special export quotas as a bonus to exporters of garments to non-quota markets such as Japan and Eastern Europe. These bonuses have helped to increase exports. It is expected that textile exports in 1992 will be worth Bt [Thai baht] 120 billion.

Household electrical and electronic products, particularly computers and parts, have also recorded strong export expansion. Exports of gems and jewellery hit snag with the introduction of VAT. In addition, the US, which is the mail market, is very slowly recovering fron an economic recession, and Japan is suffering from an economic slowdown. It is estimated that exports of gems and jewellery will gross about Bt40 billion.

Goods which are manufactured for domestic consumption, namely passenger cars are expected to increase in production and sales over 1991. This is due to consumer confidence that prices will not fall further and to increased purchasing power, arising from salary adjustments and reduction in personal income tax. Commercial car sales should expand at a lower rate, owing to the slackened economic growth after the May political crisis.

Some sectors of the real estate business have gone into the doldrums since 1991, owing to the restriction of credits to this business by the Central Bank, the Gulf war, and domestic political unrest. Business inertia continued into the beginning of 1992. Certain sectors in the real estate sector suffered from excessive supply, including industrial estates, office buildings, high cost housing, trade centres, and golf courses. The housing business for middle or low-income classes has continued to do rather well owing to improved purchasing power which has resulted from the reduction and salary adjustment.

The travel business has suffered severely since 1991, having been affected by a series of events, the fighting in the Middle East, the world economic slump, the coup in Thailand and the domestic political crisis between May 17 and 20, 1992. It is estimated that the Thai tourist industry in 1992 will entertain approximately 4.5 million foreign visitors, and generate income about Bt100,000 million as against the TAT's budget of 5.5 million persons ar earnings of Btl30,000 million.

On price stability, during the first five months of this year, the CPI [consumer price index] for the entire country increased by 4.3 percent over the corresponding period last year. The price index in May this year increased over the prior month by 1.5 per cent due to higher school fees in the new academic year. For the whole of 1992, the index is not expected to increase by more than 5.0 per cent.

External stability in 1992 is expected to improve over the preceding year. The trade balance is estimated to incur a deficit of about Bt230 billion, as against Bt257 billion in 1991. This is because imports are anticipated to expand by only 9.2 per cent, while export earning will grow by about 16.3 per cent. Accordingly, the deficit in the current account will be whittled down from Bt203 billion in 1991 to Btl80 billion in 1992. However, the Government's fiscal position is not expected to be as strong as before. During the first half of fiscal 1992 (October 1991-March 1992), the budgetary deficit is estimated at BtlO.2 billion as against a surplus of Bt24 billion in the corresponding period of prior year. This is due to the fact that while revenue increased by 2.8 per cent expenditure was 22.5 per cent higher. The small increase in revenue was due largely to a sharp decline in import duties because of low import expansion and tariff reductions on many items such as automobile parts, computers and parts, etc.

In the financial field there was the problem of excessive liquidity at the beginning of the year when credit demand rose slowly. Consequently commercial banks found it necessary to reduce interest rates four times during the first four months. Up to April, commercial banks deposits continued to expand at a higher rate than credits. However, after the political crisis foreign capital inflow slowed down.

Financial institutions and businesses had to turn to local financial sources. Furthermore, businesses had to pay corporate income tax. Financial liquidity has thus since been declining. It is expected that by the end of 1992, commercial bank deposits will increase over the prior year by 18 per cent, and credits by 17 per cent.

In the current year, external factors such as expansion of industrial goods exports, tourism, and foreign capital inflow will play a lesser role in stimulating economic expansion. Instead, the increase in domestic purchasing power will play a large role. The violent political unrest which occurred between May 17 and 20 put Thailand in focus among potential foreign investors both direct and portfolio, and among prospective tourists. Consequently the damage to the economy has been substantial. Nevertheless, the Thai economy remains fundamentally sound. There are still many on-going investment projects in both the public and private sectors, and domestic purchasing power is at a high level: this should ensure satisfactory expansion of the economy, estimated at a rate of about 7.2 per cent for 1992.

Minister Discusses Environmental Goals

Part I

BK2207063592 Bangkok THE NATION in English 22 Jul 92 p A6

[First of a two-part report on an interview with Environment Minister Dr. Phaichit Uathawikun by James Fahn—date, place not given]

[Text] With all the critical issues tied up in the environmental debate, the government's latest moves to fight pollution may result in something much bigger than a mere clean-up campaign. The country's first Environment Minister Dr Phaichit Uathawikun, is hoping that businessmen will be convinced to change their attitudes in favour of more sustainable development. Environmentalists claim that such a move must coincide with the greater dispersal of power from Bangkok to the provinces. But while the government has taken some steps to delegate authority to provincial governors and bring community representatives into the decision-making process, the direct election of provincial authorities is still a long way off.

That is the opinion of Dr Phaichit. And as the first person to take control of the former Ministry of Science, Technology and Energy since it changed its title to include environment (instead of energy), he knows whereof he speaks.

In an interview with THE NATION on Monday, Phaichit showed himself to be eager to change the sloppy practices of Thai industry, but well aware of the limitations he faces with only two months more in office. He repeatedly stressed the need to be practical and "realistic".

With such little time available, Phaichit is intent on building up the institutions that will enforce the regulations outlined in the new Environment Act, drawn up and guided through Parliament by he and his colleagues during the Anan I administration.

"We need to demonstrate that the law is enforceable and beneficial," he stresses. "A law may be passed, but if it is left on the shelf it will mean nothing."

The government then set about deciding where to start its environmental campaign. It considered tackling industry-ravaged Samut Prakan, "but the problems there are too tough. There's a lot of relocation involved. It will take years, not months."

Similar considerations caused them to rule out a much-needed clean-up of the Chao Phraya: "We thought about the rivers, but there we have to deal with watersheds. And cleaning up the Chao Phraya will take around Bt[baht]22 billion."

With Bt5 billion from the Environment Fund at its disposal, the administration finally decided that Phatthaya and Phuket were the best places to show that the new law can work.

The choice of these two locations raised some eyebrows. But Phaichit claims that "we didn't choose them because they are tourist resorts. We chose areas where environmental problems are bad, but not overwhelming, where there is high visibility, and some probability of success in getting something started to demonstrate the law is applicable."

In fact, Phaichit and Prime Minister Anan Panyarachun believe that Phatthaya's future does not lie in tourism. Assuming it can be made a more pleasant place, they see it as a future business centre for the Eastern Seaboard.

To help it towards this goal, the government is planning to spend Bt3-5 billion to clean up both Phatthaya and Phuket. The Environment Fund will then be almost completely drained, but Phaichit hopes that the Bt5 billion it currently holds is "only a beginning."

"Five billion baht should be a minimum for the Fund. We must renegotiate because this will not be enough. We will propose details on ways and means to replenish the fund. It will probably need continued contribution from the Oil Fund," he says.

Despite the financia backing, Anan and Phaichit are already discovering that implementing sustainable development will be even harder than it looks. In Phatthaya last weekend to hold a public hearing on the planned environmental campaign, they ran up against what may be their biggest enemy: public indifference. Interest on the part of the business sector was especially lacking; only a handful of hoteliers showed up.

"They [people in Phatthaya] had no clue as to what this is about," says Phaichit, shaking his head. "Our intention was to create a new partnership, but to them it was just another seminar. We would like to see volunteers from the local community. We can provide equipment and funds, but they must supply the people." Phaichit dismissed some local suggestions—for instance, that boats be supplied to pick up garbage from the bay—as impractical. "It makes much more sense for them to stop throwing things away so carelessly," he maintains.

"We were not terribly successful," Phaichit admits. "But we didn't expect much. And we don't blame them since this kind of approach has never been done before. When it's clear we are serious, the community will respond."

Instead, government funds will be used to speed up construction of a waste water treatment plant at Na Klua, so that it will be completed in 1994 rather than 1997, and find a better way to dispose of treated water. This weekend (assuming the PM's schedule remains free) Anan and Phaichit will travel to Phuket.

According to Phaichit, the long range plan for these two areas is to set up local offices and arrange task forces "to clean up both the physical and social environment." Intriguingly, he draws a link between this plan and the eventual decentralization of political power.

He explains: "Conceptually, it would be better to delegate power out. But in practice it's not that simple. In some localities it would be dangerous. The local authorities could be captured by dark influences. We can't let that happen.

"We can't go in for the direct election of local officials. Real decisionmaking power has to be kept with the central government. We can't leave everything to mafia types. We have to use the task forces to clean up some of the social problems."

If Phaichit's analysis is correct, then could there be direct elections of local officials once such a clean-up has taken place? Phaichit refuses to say, merely stating that the situation in Thailand now is "like Chicago in the 1920s" an that Chicago today is much more democratic. "You have to be a little less idealistic, and more realistic," he admonishes.

But if the real obstacle to politica decentralization lies in the unwilling ness of Bangkok's bureaucrats to give up some power, then these task force will represent little more than busines as usual.

The delegation of responsibility fol drawing up local environmental actior plans to provincial governors may seem like a step in the right direction, but these governors (with the exception of Bangkok) are appointed by the central government and their plans will b subject to ministerial approval. On the other hand, this step will let local community organizations have some access to decision-makers without having to lobby in Bangkok.

The new law's stipulation tha eight members of the National Environment Board [NEB] come from outside government—including NGO [non-governmental organization] representatives—also seems like progress, but it too is only tentative.

After all, two spots on the official delegation to the UNCED conference in Rio had been reserved for NGOs but were left unfilled because all the nominees were vetoed by one authority or another. Shamefully, Thailand's official delegation was one of the few in Rio which had no NGO representatives on board.

So who will decide which NGO representatives sit on the NEB? Phaichit makes it clear that the cabinet retains the final say on membership.

"There are many NGOs. Not all are credible in terms of intention or capacity." Those who wish to have a say in policy making will have to register, and must not engage

in political activity, he adds. They will then be entitle to take part in the selection of representatives to the government.

"We can't ensure that there won't be conflict, but we expect they [NGOs] will be consulted. We recognize that unless NGOs are involved we can't solve these problems," he asserts.

Part II

BK2307061792 Bangkok THE NATION in English 23 Jul 92 p A6

[Last of a two-part report on an interview with Environment Minister Dr. Phaichit Uathawikun by James Fahn—date, place not given]

[Text] The Anan government has been busy developing the institutions that will enforce the new Environment Act, but it is not the only important new piece of environmental legislation that has been implemented recently. New versions of the Factory Act and the Hazardous Substances Act have also been passed.

Unfortunately, however, with only two months left in office Environment Minister Dr Phaichit Uathawikun admits that the other pieces of legislation will be hard to enforce.

"We won't have time to build them up like we are doing with the Environment Act," he says. If the next government does not take them seriously, he says anxiously, they risk becoming mere scraps of paper.

Phaichit's concern is warranted since these acts tighten up regulations on the licensing of new factories and the use of transport and disposal of dangerous materials, respectively. They are designed to help prevent accidents of the type which have recently plagued Thailand (such as the Petchburi Road LPG fire, the Klong Toey chemical waste dump explosion, and the Phang Nga dynamite truck blow-up).

"At the moment, we are really just a disaster waiting to happen," worries Phaichit. "We have had some bad accidents, but these are only minor incidents compared to what could happen."

Less deadly but perhaps equally serious are pollution incidents such as that which took place earlier this year in Khon Kaen. The incident, blamed on the leakage of molasses from a Khon Kaen sugar mill, caused the death of tens of thousands of fish in the Nam Pong and Chi Rivers, destroyed the livelihoods of local fishermen and deprived local villagers of one of their few sources of protein.

Just before leaving his post as PM's [Prime Minister's] Office Minister during the last Anan administration, Phaichit explicitly called for an investigation into the incident. But despite a recent crackdown on other polluting factories, the sugar mill has suffered little so far.

The Department of Industrial Works (DIW) within the Ministry of Industry ordered the plant closed for 180 days. But since the incident occurred at the end of the sugar season, which will not start again until much later in the year this measure has had little impact on the company's business operations.

What's more, the DIW is now reportedly seeking to revoke the order.

A source in the DIW who does not wish to be named, says that this will allow the plant to undergo maintenance, but he also notes that once the closure order is revoked, it will be revoked for good.

The mill was also supposed to pay damages of Bt [Thai baht] 56 million: Bt5O million as compensation for the destruction and Bt6 million to Khon Kaen University for an investigation of the ecological impact on the river. So far, however, it hasn't paid anything.

The Fisheries Department's Chunchet Kamchanakeson says this is because the company does not want to pay now lest it prejudice itself in a suit being filed against it by the Provincial Waterworks Authority, the Fisheries Department and the DIW. The case will reportedly have to be tried under the old version of the Environment Law, since the incident took place before the new, stricter law took effect.

Nevertheless, the firm may benefit from the new law because, according to the agency source, the DIW is planning to submit a request on behalf of the company for a loan of Bt6 million from the Environment Fund (made permanent by the new law) to pay for the investigation.

Observers are puzzled by this action in light of the strict environmental crackdown being carried out at the nearby Phoenix Pulp & Paper Co, also situated on the Nam Pong River. The DIW source says that his agency believes what happened at the sugar mill was just an accident, whereas the Phoenix plant is a full- fledged environmental polluter. Little has been heard about the sugar mill's waste treatment.

Asked whether he would approve the Bt6 million loan, Phaichit is noncommittal: "I'd be very surprised if we ... make funds available in place of what the private sector should pay," he says. The loan request could test the government's commitment to the "Polluter Pays" principle.

Another conflict of interest between local fishermen and industrial developers is brewing on Koh Si Chang in the Gulf of Thailand. The Hongladarom family has been granted title to a large chunk of land there on which it has been blasting a quarry and plans to build a deep sea port. Local villagers fear their livelihood—dependent on the tourism and fishing trades—are threatened by the development.

Speaking on the issue, Phaichit complains that "There has not bee much of an attempt to make sure the

interests of the local people are protected. Only 2,800 people live on the island it should not be all that difficult to make sure they will gain.

"The quarries can be rehabilitated. After all, water reservoirs are badly needed on the island. And it would not be costly for the company to build a new pier. There has been a lack of communication. The port is seen as a threat, which it could be, but not necessarily. We can help them protect the environment."

There is, he asserts, a principle a stake. "Business can't just go into any community and do what it wants. The only way to prosper is to take the local people along. Companies must learn to practice community relations. Business will have to be a little bit more humane.

"Phatthaya is a good example. It used to be just a small fishing village. [When the developers moved in], who paid any attention to the local people or environment? Now see the results."

Over the next ten years, he predicts five million people will have to move out of Bangkok. Most of them will go to the Eastern Seaboard, many to Phatthaya if it's attractive enough. New tourism development elsewhere will take away the city's current business. If it doesn't move to become a business centre "Phatthaya will become a ghost town," he says.

Phaichit points out that many conflicts, concerning both government and private-sect projects, similar to the one on Koh Si Chang are likely to take place in the future. Does settling these disputes mean promoting greater equality in the distribution of income?

"It means doing things properly," responds Phaichit. "It means using common sense, being a little bit more socially aware, planning on a longer term basis.

"We are just asking them [Thai businessmen] to be a little bit more responsible, more enlightened in seeking a profit.

"Attitudes will have to change; it doesn't cost all that much to get waste treated. We have to get across to the private sector that these are legitimate costs of doing business, like salaries or electricity bills.

"Once they see this, they will adapt quickly," he predicts. "Business and society will sink or swim together."

Earth Summit Implementation To Begin in 3 Years

BK2307012592 Bangkok BANGKOK POST in English 23 Jul 92 p 8

[Text] It will be some three years before Thailand can be expected to start implementing two conventions on biodiversity and climate change, and the 800-page-thick Agenda 21, signed at the Earth Summit last month.

Kasem Sabnitwong Na Ayutthaya, permanent secretary of the Ministry of Science, Technology and the Environment, told the BANGKOK POST yesterday there remain many steps to be undertaken nationally and many areas to be settled internationally before Thailand can start implementing the three documents.

"I think it will be some three years before we can really start, but our environment and development policies have already moved towards the principles of both conventions," said Mr Kasem.

He cited the new environment law and the incorporation of environmental concerns in the five-year national development plan, as well as environmental measures undertaken individually by other government agencies.

Members of the official Thai delegation to the Earth Summit, or the United Nations Conference on Environment and Development (UNCED), are finalising their reports on the proceedings of the 12-day conference, held June 3-14 in Rio de Janeiro, Brazil, to be submitted to the Cabinet.

They are also finalising "a broad framework" of recommendations for the implementation of both conventions, officially called the United Nations Framework Convention on Climate Change, and the United Nations Convention on Biological Diversity, and Agenda 21 (a set of guidelines for incorporating the environment and development efforts).

The recommendations also include tentative matches of who-does-what between various government agencies and the various articles under both conventions and Agenda 21, to be implemented.

Mr Kasem said he expected both the reports and recommendations to be submitted to the Anan Panyarachun Cabinet by next month for approval in principle, and since the conventions also deal with legislation, ratification by Parliament is required, "so we have to wait for the next government".

"We have yet to finalise which ministry will be responsible to coordinate the implémentation of the conventions. It should be the Ministry of Science, Technology and the Environment, because now we are a ministry of the environment, not just a small agency to deal with the environment," he said.

Mr Kasem added that other steps to be taken nationally include reviews of national legislation with the aim of making improvements and amendments where necessary, and drafting of new legislation, in accordance with the priciples of the two conventions and Agenda 21.

"Because the environemt and development work involve so many sectors, after the Cabinet approves the reports and recommendations, a meeting of all concerned, including non-government organisations (NGOs), will be held to work out in detail who and how to implement the conventions and Agenda 21, Mr Kasem said.

He said Thailand has also to work out what it can and cannot do under the three documents. "Some articles under Agenda 21 are just beyond our capability and resources," he said.

All documents remain non-binding. Under UN regulations, both conventions will be binding after at least 50 member states have ratified them. Both conventions will remain open for signing and ratification until June 1993.

Mr Kasem stressed that Thailand has much to gain from incorporating the environment into development, and voiced his concern about the quality of the politicians who will be elected in the September 13 election.

"I hope it will not be business as usual when dealing with the environment; just stating a political will is not enough, we need political action as well.

"Who will become the next minister (of science, technology and the environment) and who will follow later, will be very crucial to the incorporation of the environment and development," said Mr Kasem.

Internationally, Mr Kasem said, the issue of financial resources is yet to be settled. UNCED organisers were hoping for industrialised countries which are responsible for most of the world's pollution to contribute US$125 billion towards the implementation of the three documents, but failed to raise the amount.

The total annual budget estimated is US$625 billion. Developing countries have to contribute 80 per cent to global cleanup efforts.

Another issue still unsettled is which financial institution(s) will manage funds contributed by industrialised countries, and how it will function.

The developed countries prefer the newly-established Global Environment Facility (GEF), managed primarily by the World Bank, and less by the UN Environment Programme (UNEP) and the UN Development Programme (UNDP).

But the developing countries do not want a Western-dominated financial institution to dictate to them.

Also, details about a reporting system, a monitoring system and technology transfer have yet to be worked out at the international level.

PRC Agrees To Intensify Pressure on Khmer Rouge

BK2307055192 Bangkok THE NATION in English 23 Jul 92 p A4

[Excerpt] Thailand and China have agreed to intensify their joint efforts to persuade the Khmer Rouge to join the United Nations-brokered framework, a conference source said yesterday.

China will also send a small group of experts to Bangkok soon to work in tandem with Thailand to discuss ways to tackle the current deadlock, including the disarmament issue.

"Both countries have not discussed the Cambodian problem for quite some time," the source said.

The two countries' slackened cooperation over the Cambodian issue after the domestic turmoil in Thailand and rapid changes in the region. "Both leaders see the need to strengthen their cooperation on Cambodia," the source said.

China opposes any sanction against the Khmer Rouge, saying it will not work. "Beijing reasoned that the sanction aainst Iraq is not working too," the source added.

The United Nations Security Council has passed a resolution to deny international aid to the Khmer Rouge if the group continues to boycott the UN peace plan.

The source, who attended the meeting between Foreign Minister Asa Sarasin and Chinese Foreign Minister Qian Qichen on Tuesday night, said both countries also agreed to boost their support for Prince Norodom Sihanouk chairman of Cambodia's Supreme National Council.

Qian and Asa, the source said, want to see Sihanouk play a bigger role in Cambodia as the prince's role has been only minor so far. The two countries decided to invite Sihanouk to visit their respective countries to give him moral support.

In his opening speech on Tuesday Asa strongly endorsed the leadership of Sihanouk and said the Cambodian factions should meet among themselves as frequently as possible under him. Asa said with prince's leadership Cambodian reconciliation can be attained.

China has also commented that Japan should adopt a more neutral role in handling the Cambodian problem. "There is a feeling that Tokyo is pressurizing the Khmer Rouge too hard," said the source.

Last month, Tokyo hosted an international conference to gather funds to reconstruct Cambodia. Many Western countries took advantage of the occasion to condemn the Khmer Rouge's intransigence.

During the meeting, Qian said that the Phnom Penh government only disarmed a small fraction of their army and the Khmer Rouge fears that if they disarm all their troops they would have nothing to defend themselves with, according to the source, who asked not be identified.

Both China and Thailand have made public statements that the issues raised by Khmer Rouge—the Vietnamese troops verification and the SNC—should be looked at by the authorities concerned.

The guerrillas have complained that the UN Transitional Authority in Cambodia has not effectively verified the Vietnamese troops pullout from that country. At the same time, the SNC should be accorded more power to oversee day-to-day administration in Cambodia.

Last week, the Khmer Rouge offered to disarm in exchange for the dismantling of the Phnom Penh government. The UNTAC rejected the proposal, saying that it was outside the Paris peace framework. [passage omitted]

Laos Reacts 'Coolly' to Arrest of Guerrillas

BK2307041992 Bangkok THE NATION in English 23 Jul 92 p A3

[Text] Vientiane has reacted coolly to the first arrest by Thai authorites of members of the anti-Pathet Laos movement earlier this month, informed sources said.

During talks in Manila, Foreign Minister Asa Sarasin raised the issue with his Laotian counterpart Phoun Sipaseut, who reacted coolly, according to sources who asked not to be identified.

On Monday, before leaving for Manila to attend the 25th meeting of ASEAN foreign ministers, Asa said Thailand wanted to show its sincerity in cooperating with Laos and that it did not support the US-backed resistance movement.

Thai authorities earlier said Thailand ended all assistance to the resistance group two years ago.

Asa also said the ministry may pursue the matter with the United States which, since the 1960s, has been arming the resistance fighters who want to topple the Communist Pathet Laos government.

Laos has consistently accused Thailand of giving sanctuary and support to the resistance groups and sought its cooperation in suppressing them. Thailand categorically denied the accusations and, until recently, paid only lip service to the request for cooperation.

The seven arrested members of the anti-Pathet Laos group, who are under investigation by Thai authorities, included three Laotians holding American passports and four ethnic minority Hmong, one of the resistance arms that infiltrated Laos from across the Thai border.

The sources said the seven may face extradition but some would first face charges of illegal entry into Thailand.

During the talks Asa also urged Phoun to consider a Thai request to end the monopoly right of a joint Lao-Thai company to transport goods traded between the two countries and allow free competition for such service, a Foreign Ministry press release said.

According to an agreement signed last year, T.L. Enterprise, a Thai-Lao transport company operating between Thailand and Laos, would replace Thailand's Express Transportation Organization (ETO) as the monopoly carrier of foreign goods from Thailand to Laos, Thai officials said. The ETO would still enjoy the right to transport Thai goods from Thailand to Laos.

The agreement was aimed at ending ETO's monopoly as long called for by Laos. But, in effect, Laos had maintained a monopoly on taking Thai goods into Laos as well, causing protests from the ETO.

Thai officials have raised the matter with Laotian counterparts many times but received little response.

Burmese Students Given 90 Days To Register

BK2207015792 Bangkok THE NATION in English 22 Jul 92 p A4

[Text] Thailand will allow a 90-day grace period for more than 400 Burmese exiles registered with the Interior Ministry to prove their status as students, while pushing ahead with a plan to house dissident Burmese students.

The agreement was reached at a meeting of an Interior Ministry committee last Thursday to discuss a safe holding centre for Burmese students.

Following repeated international criticism alleging Thai police harassment of exiled Burmese students, the government last September agreed to set up a holding centre to accommodate about 1,500 students. It subsequently allocated a Bt [Thai Baht] 16 million budget to meet registration overheads and renovation costs of a former border patrol police camp in Ratchaburi Province, and the daily operation of the centre.

More than 1,300 Burmese had registered with the ministry by May 16 when the three-month registration period expired.

A government official, who asked for anonymity, said the meeting of all government agencies concerned agreed that only 515 out of the more than 1,300 Burmese were genuine students, based on records with United Nations High Commissioner for Refugees and screening interviews with Thai officials. About 300-400 were found to be political asylum seekers.

The remaining Burmese, totalling more than 400, did not meet the student criteria and were considered to be economic migrants, the official said. However, the panel agreed to allow this group a 90-day grace period to appeal and provide documents and evidence to prove their identity as students.

Those whose appeals are unsuccessful will be asked to leave the country as they will be considered illegal immigrants and not genuine refugees, the official said.

The committee plans to ask the National Security Council for policy guidelines on how to deal with those found to be political asylum seekers, he said.

So far, only those classified as students are to benefit from the Thai Government plan.

The officials said the renovation of the camp was 95 per cent complete and that 500 students can be housed there at the first stage. However, the road to the centre has to be improved and other facilities have to be purchased. The province has yet to recruit and train personnel to run the camp.

During the transition period, the Interior Ministry will continue to extend the temporary identity cards it issued to those registered, until they can be transferred to the

Ratchaburi holding centre. Card-holders are required to report [to] the ministry every month.

An informed source said more than 90 per cent of those registered with the Interior Ministry were found to be persons of concern of the UN High Commissioner for Refugees (UNHCR).

The UN refugee agency is still negotiating for its presence in the camp. But the Thai government has rejected the request, insisting that it will be the sole authority over the camp and will permit only access there to the UNHCR.

Over 1,800 Burmese including students have been recognized by the UNHCR, and an average of 100 students are still applying and seeking UNHCR protection and assistance very month.

The official said the committee will consult other government agencies such as the Public Health Ministry and Department of Public Welfare on plans to have their officials stationed in the camp.

At the camp, the Burmese students will be given vocational training, and camp residents will be allowed to leave the holding ground on a temporary basis upon the approval of the Ratchaburi governor, said the official.

Thai authorities will take care of the security and reaffirmed Thai policy that the camp residents will not be repatriated home against their will.

Fisheries Agreement Reached With Russia

BK2207070792 Bangkok THE NATION in English 22 Jul 92 p B10

[Text] Thailand has come to an agreement with Russia to promote fishery and related industries. The cooperation agreement also allows the two states to set up a joint venture to fish in third countries.

The cooperation agreement was made during a visit by members of Thailand's private sector to Russia earlier this month. The two sides discussed possible joint agreements covering fishery, commercial and trade cooperation, ship-building and ship repairing and agriculture.

Wichan Sirichai Ekawat, head of the Thai delegation signed a Protocol of Intentions with A Vasiltchenko, vice president of Rosrybkhoz—the fishery authority of Russia during the visit. Under the agreement, the two states agreed to set up a joint venture to fish in third countries. The size of the foundation capital will be defined after the study of the project.

But it is expected that Russia will be responsible for pilotage fees, and the Thai side for the cost of energy, food and labour.

The representatives from two sides were instructed to collect information on expenditure before the final round of talks when the Russian delegation visits Thailand. Final discussions on the value of the project will take place after presentation of technical data. Vessels will be approximately 35-50 metres long.

The joint venture will lease large-capacity vessels from Russian shipowners if right for fishing in economic zones are granted.

The Thai and Russian delegations also consulted on a plan to promote barter trade in the areas of fresh water canned fish, consumer goods, sugar, rice, tobacco, cigarettes, fishmeal, kit furniture and electronic equipment. Thailand also offered to discuss the possibility of opening a Thai sea food restaurant in Moscow as a joint venture.

The two sides also plan to work out plans for a joint venture for a refrigerated processing vessel, as well as for a possible joint venture to build and repair fishing vessels in Thai shipyards.

Ariane Rocket To Launch Chinnawat Satellite

BK2307014992 Bangkok BANGKOK POST in English 23 Jul 92 p 15

[Text] Chinnawat Satellite, a subsidiary of Chinnawat Computer and Communications [SC&C], will next week sign a US $30 -million contract with Ariane Space of France for the launching of a second back-up satellite, chairman Thaksin Chinnawat said yesterday.

He said the launching of the first satellite, also by Ariane, was originally scheduled for December 5 next year but the date might be moved forward by about four months to August 12.

The second satellite will be launched 12 months after the first satellite.

More than 10 firms have signed memorandums of understanding to rent transpondants of the first satellite.

He said SC&C will soon look for partners in the project. These will be allowed to hold 40 percent in the project while the rest are held by SC&C.

Vietnam

Success of National Assembly Election Hailed

BK2307045892 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 22 Jul 92

[Station Commentary:"Trust and Responsibility"]

[Text] The Ninth National Assembly election has been completed. The voter turnouts and lists of the elected deputies have been and are being announced. The nation has completed a task of great political significance, electing the organ of highest authority of the Vietnamese State.

Many comments at home and abroad have been made, hailing and criticizing the elections. Some even provided analyses on the current situation and future trends. This

is apparently a normal phenomenon because people tend to comment on results of a major event.

In fact, the success of the general elections depends on the quality of the elected deputies, the actual voters, the voter turnout, and so forth. Most importantly, however, is the people's confidence in the system, which can be seen through the results of the elections.

In our case, the people have showed their firm confidence in the renovation undertaking being carried out throughout the country. They have showed their confidence in the leadership of the party and state as testified by the initial, yet encouraging, achievements in the renovation. During the preparation of the general elections, besides successful work, shortcomings did exist in various localities and even at the central level. However, these shortcomings in no way affected the real democratic nature of the elections.

Naturally, truth is more eloquent than words. In one day, 37 million voters cast their ballots at various polling stations throughout the country, where security and order were ensured. How could a coercive democracy achieve such a great success?

It is necessary to say that the people's confidence in the system will lead to the inevitable result, that is, a long-term political stability—a prerequisite determining success for a comprehensive renovation of the socioeconomic situation.

It can be said that the Ninth National Assembly election is also a great political challenge to our system and our socialist state. Those who lack goodwill and the bad elements who want to reverse the political situation in Vietnam have resorted to various schemes and tactics to create disturbances in our country. However, their wishes have never materialized. Once again, those who want to teach us a lesson on disintegration, as experienced by Eastern Europe and the former Soviet Union, have instead learnt a lesson for themselves. Vietnam is neither Eastern Europe nor the former Soviet Union! But Vietnam is Vietnam!

However, the elected Ninth National Assembly is encountering a great challenge in its new, important mission, that is,—under the party leadership and together with people throughout the country—to tide the nation through various acute obstacles to achieve the goal of making the people prosperous and the nation strong.

In the near future, the new National Assembly will hold its first session to elect high-ranking organs of the legislative, judicial, and executive branches.

The success of the 19 July National Assembly election, however, merely signifies a favorable condition for the beginning of a new term of the National Assembly. Many pressing tasks are awaiting; the aspirations and legitimate demands of millions of voters are still unfulfilled.

The people's confidence in our system requires the National Assembly to fulfill a very heavy task. We believe that the people's confidence and the National Assembly's responsibility will be developed harmoniously. The gap between the people and the deputies of the National Assembly will gradually be narrowed. It is noteworthy that in Vietnam the people wholeheartedly support the National Assembly. This is because all deputies, with their solemn pledges before the voters, will certainly work selflessly in their new term with a strong determination.

No one is too naive to believe that the socioeconomic crisis can be resolved overnight, and that all negative phenomena can be wipped out immediately. However, the enthusiastic, yet healthy, atmosphere in localities during the 19 July National Assembly election has signified the trend that in this country the conditions for tomorrow will be better than those of today.

Foreign Minister Repeats Claim on Spratlys

BK2207122892 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 21 Jul 92

[Text] On 20 July, Foreign Minister Nguyen Manh Cam arrived in Manila, the Philippines, to attend the ASEAN foreign ministerial conference. Speaking with journalists on this occasion, Foreign Minister Nguyen Manh Cam confirmed Vietnam's sovereignty over the Truong Sa [Spratly] Archipelago and said: Vietnam supports peaceful negotiations to resolve differences concerning the Truong Sa issue.

Upon his arrival in Manila, Thai Foreign Minister Asa Sarasin said: The Truong Sa conflict is the concern of all countries in the region.

Visit to Thailand Detailed

BK2107160392 Hanoi VNA in English 1509 GMT 21 Jul 92

[Text] Hanoi VNA July 21—At the invitation of Thai Foreign Minister Asa Sarasin, Foreign Minister Nguyen Manh Cam paid a short visit to Thailand from July 19-20, on his way to the Philippines to sign the Bali Treaty of Amity and Cooperation in Southeast Asia.

On the morning of July 20 the Vietnamese foreign minister was received by Thai Prime Minister Anan Panyarachun. During the reception, the Thai prime minister unanimously advocated the promotion of the cooperation between the two countries, and stressed the importance of the Vietnamese-Thai cooperation for peace, stability and cooperation in Southeast Asia.

Minister Nguyen Manh Cam and Minister Asa Sarasin had working sessions on the issues concerning the relations between the two countries. The two sides reviewed the cooperation of the two countries since the high-level meetings, and held that in the juncture of rapid changes in the region and in the world, the two countries should further promote their cooperation for the sake of the development of each country, for peace, stability and cooperation in Southeast Asia.

The two sides unanimously agreed to coordinate to overcome the outstanding issues with a view to creating favourable conditions and atmosphere for strongly accelerating the cooperation between the two countries, especially in the economic field as agreed upon previously between leaders of the two countries.

With regard to the regional issue, the two sides had the same views to closely cooperate with each other and with other countries in the region to accelerate the process of rebuilding Southeast Asia in peace, stability, cooperation and development.

Council Vice Chairman Visits Ukraine for Talks

BK2207154192 Hanoi VNA in English 1526 GMT 22 Jul 92

[Text] Hanoi VNA July 22—A Vietnamese Government delegation led by Vice Chairman of the Council of Ministers Tran Duc Luong paid and official visit to the Republic of Ukraine from July 18-22.

While there, Vice Chairman Tran Duc Luong held talks with Vice Premiers V. Simenenko and V. Sutnik. The two sides showed keen interest in the prospect of direct relations between enterprises and economic organisations, joint venture enterprises, and cooperation in energy, communications, transport, and banking services. Ukraine is ready to export equipment, machines and spare parts to Vietnam and import from Vietnam rice, tea, coffee, rubber, meat, textiles, garments, shoes, etc.

Vice Chairman Tran Duc Luong and first Vice-Premier V. Simenenko signed agreements on maritime transportation, post and telecommunications and a goods exchange protocol for 1992.

The two sides agreed to step up preparations for the early signing of agreements on investment guarantee and avoidance of double taxation, and other agreements. Vice Premier Tran Duc Luong invited an Ukrainian Government delegation to visit Vietnam at a date to be fixed later by mutual agreement.

Vo Van Kiet Receives Coordinator for UN Agencies

BK2307001792 Hanoi VNA in English 1522 GMT 22 Jul 92

[Text] Hanoi VNA July 22—Premier Vo Van Kiet received here this morning the new coordinator of development activities of the United Nations and resident representative of UNDP [United Nations Development Program], WFP [expansion unknown], UNPPA [Expansion Unknown] and UNIDO [United Nations Industrial Development Organization] in Hanoi, Mr. Roy D. Morey.

The Vietnamese leader expressed sincere thanks to the UN agencies for their cooperation with and assistance to Vietnam, especially to UNDP which has helped Vietnam in several projects of technology transfer and investment preparedness, projects of macro-economic, administrative and monetary management and overall planning. He informed the guest of the socio-economic developments in Vietnam and said he hoped that relations between Vietnam and UN agencies would further develop.

"Vietnam will create all favourable conditions for and will enhance cooperation with UNDP and other UN agencies during your term of office in Vietnam", the premier told Mr. Morey.

The new UN coordinator and UNDP resident representative said he was impressed by Vietnam's initial successes in renovation and pledged UNDP's and other UN agencies' continued assistance to Vietnam in its development programmes for the interests of the Vietnamese people and in conformity with the UN charter.

To Visit Malaysia 22 Jul

BK2307001592 Hong Kong AFP in English 0923 GMT 21 Jul 92

[Text] Hanoi, July 21 (AFP)—Vietnamese Prime Minister Vo Van Kiet was to leave Wednesday on a week-long private visit to Malaysia, diplomatic sources said here Tuesday.

Kiet and his wife were to be the guests of Malaysian Prime Minister Mahathir Mohamad, who made a high-profile visit here in February.

Neither the Vietnamese government nor the Malaysian Embassy in Hanoi have officially announced the trip.

Pham The Duyet Attends Veteran's Hospital Opening

BK2307072792 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 18 Jul 92

[Text] On the occasion of the 45th anniversary of the War Invalids Day, the Hanoi Labor and War Invalids Office on 17 July held a ceremony to inaugurate the medical treatment center for serious patients in Hanoi. Attending the ceremony were comrade Pham The Duyet, member of the Communist Party of Vietnam [CPV] Central Committee Political Bureau and secretary of Hanoi Municipal Party Committee, and representatives of sectors and branches concerned.

The construction of the medical treatment center began on 21 December 1989 on an area of 5.1 hectares, with a total expenses of 1.885 billion dong including 1.351 billion dong in capital construction. Worthy of note is that the Vietnam-Russia Maritime Products Joint Venture has donated $100,000 to buy medical and other equipment to facilitate 52 patient beds in five buildings at the center.

The center has admitted 12 seriously sick soldiers. It has planned to provide treatment—on a rotation basis, 50 patients at a time—to 600 sick and wounded soldiers.

The treatment of sick and wounded soldiers is the duty of our party and state, because these people have sacrificed their flesh and bone for the fatherland's independence and freedom.

Doan Khue Lauds Antiaircraft Unit on Anniversary

BK2207142992 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 16 Jul 92

[Letter from Defense Minister Doan Khue to cadres and combatants of the Song Gianh antiaircraft group—formerly known as the 214th antiaircraft brigade in the 3d Military Region—on its 35th founding anniversary; date not given]

[Text] Dear Comrades:

On the occasion of the 35th glorious founding anniversary of your brigade, 17 July 1957-17 July 1992, on behalf of the Military Commission of the party Central Committee and the Ministry of National Defense, I would like to extend my kind regards and warmest greetings to all cadres, combatants, disabled or ailing soldiers, and families of fallen combatants of the brigade, as well as to those comrades who have retired or have been discharged and transferred from the brigade to other branches.

Throughout the 35 years of development and fighting under the protection and assistance of the party organizations, administrative organs, and people in various localities, cadres and combatants of various generations of the 214th antiaircraft brigade have always illustrated the fine nature and renowned tradition of the Army. By fostering close unity in overcoming all difficulties, hardships, and sufferings and by demonstrating their courage, resourcefulness, and persistence in fighting, they have achieved illustrious exploits on various battlefields and satisfactorily fulfilled all assignments. As a result, they have been awarded the title of heroic unit of the people's armed forces and many other noble distinctions by the party and state.

On this glorious anniversary, I would like to warmly commend you, comrades, for your achievements during the past 35 years.

Under the new situation, as cadres and combatants of the brigade, you must profoundly understand and scrupulously implement all the viewpoints, lines, and policies of the party and state, as well as national defense and security tasks and the duties of the Army and your unit; illustrate the revolutionary tradition of the Army; improve your political aptitude and persist in the socialist objectives and the process of comprehensive renovation of the country; and remain always vigilant and stand ready for combat and victories.

You must also uphold the sense of independence and self-reliance and demonstrate their dynamism and creativity in effectively organizing combat training, while fostering democracy, strictly enforcing discipline, ensuring unity of will and action, maintaining close relations with the people, paying attention to the livelihood of troops, making your unit firm and strong in every respect, and outstandingly fulfill all duties. In so doing, you will be able to join the entire party, Army, and people in successfully implementing the resolution of seventh party congress, thus making yourselves worthy of the title of heroic unit and of the care and education given by the party and assistance and protection provided by the people.

May I wish you, comrades, good health and many outstanding achievements in the new revolutionary stage.

My cordial and determined-to-win salutations.

Essay Marks Anniversary

BK2307000992 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 16 Jul 92

[Essay by Correspondent Hoang Huu Phuong in connection with "the 35th anniversary of the Song Gianh Air Defense Group"—portions recorded]

[Text] The Song Gianh air defense artillery group will turn 35 years old on 17 July this year. Although born and nurtured from the midland countryside of Vinh Yen, its name was always linked with various combat exploits in the Fourth Region during those long years of fighting the enemy. More so, the eyes of the group's gunners and their blazing cannons have pierced the Quang Tri-Central Laos airspace even more deeply.

During those years of hardship and rigor, the unit fought 4,339 battles, shot down 187 U.S. aircraft, 64 of which were downed on the spot. The group has received many lofty awards from the State and is noted as one of the first two antiaircraft artillery units to get the title "Hero of the People's Army Forces." Recently, due to the new requirements of national construction and defense tasks, the group often operated as a mobile unit in various areas. But the unit has always satisfactorily fulfilled its vital political tasks anytime and anywhere, and have won the people's love.

What has helped the Song Giang air defense artillery group make these achievements? How have the group's cadres and combatants developed their tradition as a collection of heroes? What are their current opperations and training? Talking to us about this, Lieutenant Colonel Nguyen Xuan Lich, the commander of the group, said:

[Begin Nguyen Xuan Lich recording] We have a tradition as being a heroic unit and it is our policy to let our cadres and combatants understand their responsibilities and through this, to develop their role in carrying out their main tasks. We constantly educate our cadres and combatants on the unit's tradition to make them realize their responsibilities and duties as entrusted by the party committee and the military region commander. These duties are:

1. To be a mobile unit operating in various areas to ensure the implementation of the military region's tasks.

2. To be ready to destroy the enemy should they dare to move into our area of responsibility. This has been affirmed by the unit party committee.

Therefore, I think that we should concentrate on the main task of training. We should be able to act immediately once an order is given, should the enemy dare to encroach into our area. To coordinate this, I think that we should have a unity of views among the leaders within the party committee of the military command. If we do, we will be able to educate cadres and combatants in seeing themselves as part of a unit in fulfilling assignments.

Training inspections and evaluations are conducted every year and we have been rated well in training by the Air Defense Corps and the Army's Air Defense and Combat Training Departments. [end recording]

The unit has overcome numerous difficulties to attain these results. From September 1989 alone, the Song Gianh Group has made three trips, each covering hundreds of kms. Another difficulty is that various detachments are stationed separately. At present, the air defense group is stationed in all the three districts of a province in the Bac Bo lowland with a radius of nearly 50 kms. The rotation and streamlining of the contingent of cadres at the various echelons have affected the feelings and capability of each person and detachment in fulfilling their duties.

What measures have this unit taken to overcome these difficulties? First, every time there is a troop movement, the party committee echelons, and the commanders at various levels do a good job in leading the troops. Most importantly, we try to stabilize the troops' nutrition and housing requirements as soon as they arrive at a new location. We also try to ensure housing not only for men but also for vehicles, artillery pieces, military hardware, and ammunition.

Most of the facilities turned over to the group did not meet the requirements of an air defense artillery unit. Along with urgently using thousands of cubic meters of earth to build and consolidate gun emplacements, cadres and combatants of the unit also built or upgraded thousands of square meters of shelters for vehicles, artillery pieces, and ammunition. Sometimes, they were instructed to move to a new location soon after they had settled down. As a result, they had to start everything all over again. Nonetheless, to date, the unit has built adequate shelter to protect 100 percent of its vehicles and artillery pieces from rain or sunshine.

Due to the fact that the Song Gianh Group must operate as a mobile unit on a regular basis, the management has attached due importance to both training arrangements and methods. For example, at one time, the unit had to postpone the second phase of its training schedule for two months. At another time, soon after the unit had completed the first stage of its training schedule, it was instructed to move to another area. The time taken for this troop movement to a new location was also used to prepare for the next training phase. The list of unexpected tasks goes on and on.

Before the start of any training season, whether the group is stationed in its barracks or operateing as a mobile unit, the management always devotes enough time to providing training to the contingent of cadres at the various echelons. In dealing with one measure to resolve difficulties arising from a shortage of cadres, Colonel Ngo Van Hong, the deputy political commissar of the group, said:

[Begin Ngo Van Hong recording] In training, due to unexpected fluctuations in personnel organization, cadres, especially commanding cadres, are subjected to constant rotation. As a result, we experienced difficulties in finding sufficient cadres to directly take charge of platoon training activities. To resolve this problem, we select combatants with solid knowledge to be gun crew leaders and appoint gun crew leaders with solid knowledge to be platoon leaders. This selection process has helped resolve difficulties arising from a lack of cadres. As a result, we have been able to fulfill the training targets set by the military region. [end recording]

The list of gun crew leaders with a good performance rating included Nguyen Van Hoa, a Youth Union member and an outstanding 1991 emulator. Hoa belongs to the 10th Company, Fourth Battalion. He won the title "good gun crew leader" from his adequate training organization, cool-headedness, and exemplary conduct when it came to command-giving. He was nominated by the third Military Region Youth Union congress to attend the upcoming all-Army Youth Union congress.

Captain Nguyen Duc Chinh, leader of the Fifth Company, 2d Battalion, is another good example. He keeps his head cool despite his particularly difficult family circumstances and proves himself to be very capable in the discharge of his duties. Men under his charge have maintained good discipline and have complied with regulations governing everyday activities and combat readiness.

Captain Nguyen Thanh Thao, commander of the 4th Battalion, also sets a good example. Although he did not complete formal education, he has proven himself to be a capable cadre and a good organizer as evidenced by his unit's high work performance.

Apart from correct leadership and command, the steady progress of the Song Gianh air defense artillery group must be credited to the eagerness for advancement and maturity of each individual person and each small collective like the ones we have already mentioned. For many consecutive years now, the performance of the group's primary party organizations has been rated as good. During the first half of 1992, 100 percent of all party chapters have been rated as good, pure, firm, and strong.

The group has operated as a mobile unit on a regular basis. Nevertheless, thanks to a thorough understanding of the need to improve everyone's living conditions, wherever they

go, detachments have actively participated in animal husbandry and cultivation and have covered their living quarters and gun emplacements with greenery.

Thirty-five years is long enough for the Song Gianh air defense artillery group to score countless marvelous feats-of-arms. As far as the current task of building and defending the socialist Vietnamese fatherland are concerned, cadres and combatants of different generations of the group take pride in and continue to develop their tradition.

Party Leadership Role Discussed, Analyzed

BK2207103992 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 14 Jul 92

[Article by Khong Doan Hoi: "Though Not an Organ of Authority, the Communist Party of Vietnam Is a Ruling Party]

[Text] In his testament, President Ho Chi Minh wrote: Our party is the ruling party. However, due to the current trend for democracy, especially demands for political pluralism, coupling with the collapse of socialist internationalism headed by the former Soviet Union, and due to such negative phenomena as arbitrariness, dictatorship, and gross interference to state and social affairs imposed by some party organizations and leading cadres, differences have been voiced regarding the role of our party. Some even demanded that our party leadership role should be limited or rejected.

To be fair, in our daily life, some erronous acts related to the party do exist. This is because it stemmed from a misunderstanding on the role and position of our party as a ruling one. Nevertheless, in a protracted and cruel war, there is no other better way than allowing the party mechanism to directly assume all the functional duties to lead in the resistance war against foreign aggressors in order to gain national independence, sovereignty, and territorial integrity. The obvious shortcoming if any, however, is that the party has maintained its old mechanism for too long. In fact, the party should renovate itself to suit the stage of national reconstruction and socioeconomic building after the war. For this reason, it is necessary to renovate the party leadership. However, it should be understood that renovation of the party must be carried out in accordance with this spirit, and it does not mean to reject the Communist Party of Vietnam [CPV] as a ruling party.

Why? Because it was not the matter of what we want or do not want; neither was the party hungry for its power. The world, up to the present, has undergone continuous developments against the background of the decisive class struggle under various forms, which is in essence the struggle between the oppressors and the oppressed ones for their own interests. The group who fought for the overthrow of the former feudalist class to protect their gained interests was obviously the bourgeoisie themselves. To fulfill their task, the bourgeoisie was organized into a ruling mechanism, and the bourgeois state and its political parties took turns holding power. The Republican and Democratic Parties in the United States, for instance, are merely representives of the monopolistic bourgeoisie in the country.

The CPV is the sole representative of the Vietnamese workers' class, people, and nation to protect their interests. To struggle to protect these interests, the CPV has done the same thing as did the former and present bourgeoisie, that is to organize and assume the role of a ruling party.

Speaking about the ruling party, be it the party of whatever classes, it must hold power. Without power, no party can fulfill its class impetus. The power of the CPV first of all lies with the organizational power governing its members. All party members working at all levels and positions in both state agencies and mass organizations must implement the party's lines, policies, and resolutions, while abiding by the party disciplines. The party is not a social club, but an organization set up to work and struggle for the survival of the country. The party nominates its outstanding members to run in elections for state agencies and mass organizations. The people have the right to study and consider the qualifications of these candidates before casting their votes without any coercion. Through the party members who were entrusted by the people to lead in state agencies and mass organizations, the party checks and manages their activities. For our society, the power of the party is a leading power, that is the power to decide and formulate lines, policies, and orientations for social progress. It is the power to lead the state, manage the political system, and organize and motivate the people to effectively implement the party lines and policies. To fulfill these tasks, the party must closely control the implementation of its lines and policies, firmly and effectively manage the contingent of cadres, the key force for the success of all work.

This is the essence of the political leadership role of the party which is different from the general leadership one, and it is applicable to all ruling parties. For the CPV, its power to rule society has been approved by the people through their recognition given to qualified party members who have the firm impetus to wholeheartedly serve the people using their real capability and intelligence.

The ruling party must hold power, but it is not the organ of authority. This is because when we talk about the organ of authority we mean the state agencies that govern state affairs set up to carry out managerial and administrative work using the state law as the tool to resolve social issues. In our system, all powers belong to the people. The people do not elect the party but elect the state organs of authority to represent them to exercise their power.

It is regrettable that due to the misunderstanding of the leadership power and the state managerial authority, negative phenomena have occurred and have weakened the party leadership role and the state managerial function. For instance, the party has interferred too profoundly into details of some issues that should be

resolved only by state managerial agencies. The party has arbitrarily carried out tasks of various organizations, grossly interferred in state affairs and work of mass organizations, and turned itself into a state organ of authority, thus violating the principle of socialist democracy. The party has made itself an organization governing the society, considering it an organ of highest authority which remains above the law.

In the final analysis, if we misunderstand the role and position of our party, if we have no concrete measures to institutionalize the law and systematize the power and duty of each organization in our political system, then the sacred and significance leadership role of our party will be affected.

The party should not restore its leadership role through its appeal and motivation, but should be through its efforts to build confidence in the people by applying its correct lines and policies. Moreover, the party leadership role must be manifested through its firm pioneer and exemplary characteristics as well as through the quality of diligence, thrift, honesty, righteousness, and impartiality shown by all party members in carrying out their tasks at any positions.

Seminar Held on Deep Sea Oil, Gas Production

BK2107065792 Hanoi VNA in English 0555 GMT 21 Jul 92

[Text] Hanoi VNA July 21—An international seminar on deep sea oil and gas production science and technology has been held here with the financial assistance from the Australian oil and gas company BHP. It was attended by many Vietnamese specialists and 15 foreign experts on oil and gas industry from Shell (Holland), BP (Britain), Deminex (Germany), BHP (Australia) and Petronas (Malaysia). The seminar aims at collecting information on modern science and technology in the field of oil and gas exploitation and processing. Addressing the seminar, Prof. Dr. Ho Si Thoang general director of the Vietnam Oil and Gas Corporation, spoke of its activities in the past as well as orientation for its future work, he stressed on the necessity of speeding up scientific and technological activities, broadening and strengthening cooperation with foreign countries and the application of advanced technologies to develop Vietnam's oil and gas industry.

Funds Alloted for Labor Distribution, Unemployment

BK2307095192 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Jul 92

[Text] On 13 July, the Council of Ministers Chairman issued a decision on the management of funds for the distribution of the labor force and employment. The 1992 state budget stipulated that a sum of 830 billion dong will be provided for this purpose.

The sum shall be alloted as follows:

1. A sum of 350 billion dong will be used to restructure the labor force in state-run establishments in accordance with the Council of Ministers decisions no. 176-HDBT, 111-HDBT, and 315-HDBT, and to provide aid to workers who have returned from abroad. A fund of 50 billion dong will be granted to implement decision no. 176- HDBT, and 10 billion dong as aid to vocational training centers.

2. A sum of 180 billion dong will be granted to the settlement of the nomads program and the building of new economic zones. Of this amount, 18 billion dong have already been granted to the Former Fourth Zone, 25 billion dong to the highlands region in accordance with the Council of Ministers Chairman's decision no. 69-CT, and 15 billion dong to the Central Committee for the Settlement of Nomads under the management of the Ministry of Forestry.

3. A sum of 250 billion dong will be alloted as loans for various small projects. From this, 100 billion dong will be granted as loans to develop family economy programs in new economic zones and the Former Fourth Zone; and 150 billion dong to resolve the unemployment problem in cities, villages, and industrial complex especially in Hanoi, Ho Chi Minh City, Haiphong, Quang Ninh, Thua Thien-Hue, Danang, and Can Tho provinces. The loans will be granted on the non- or low-interest rate basis.

4. A 50-billion reserve fund will be consistently maintained.

Decision on Benefits to Writers, Athletes Issued

BK2307090292 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Jul 92

[Text] The Council of Ministers chairman on 13 July issued a decision on temporary supplements to certain policies toward writers and athletes, and another decision on the benefit system for senior architects working in Hanoi and Ho Chi Minh City.

ILO, UNDP Sponsor Seminar on Social Security

BK2307080592 Hanoi VNA in English 0627 GMT 23 Jul 92

[Text] Hanoi VNA July 23—A seminar on social security, sponsored by the International Labour Organization (LLO) and UNDP [United Nations Development Program], opened in Hanoi on Wednesday.

The three-day seminar will hear 13 papers, including one by Ms. Lynn M. Villacorta, consultant of ILO on social security.

The papers deal mainly with social security reforms in the market-oriemted economy, especially regarding civil servants and wage earners.

UK Government Provides Typhoon Relief Funds

BK2207064992 Hanoi VNA in English 0524 GMT 22 Jul 92

[Text] Hanoi VNA July 22—The British Government has provided 36,000 dollars as emergency aid to victims of Typhoon Chuck in the northern mining province of Quang Ninh and the port city of Haiphong.

The money was handed over to the local authorities by British Ambassador Peter Williams during his recent visits to these localities.

Mr. Williams also presented Quang Ninh with a cheque for 3,000 dollars to help build two sluices in a sea embankment project.

Indonesian Red Cross Sends Gifts

BK1807151592 Hanoi VNA in English 1421 GMT 18 Jul 92

[Text] Hanoi VNA July 18—The Red Cross Society of Indonesia has sent a quantity of medicine and medical instruments worth 7 million Vietnam dong as gift to victims of tropical storm Chuck which hit Vietnam in late June.

The Vietnam Red Cross Society has decided to distribute the donation to people in Quang Ninh Province, which was heavily damaged by the storm.

Long Xuyen Targeted for Agricultural Production

BK2107155392 Hanoi VNA in English 1458 GMT 21 Jul 92

[Text] Hanoi VNA July 21—Vast areas in southern Vietnam are being tapped for agricultural production. The Long Xuyen quadrangle is also a prime target for the purpose covering 500,000 hectares in the provinces of An Giang and Kien Giang. In the 1988-90 period 17,000 hectares in the areas were put under agricultural cropping.

The quadrangle, so called because of its shape, is in the Mekong River delta and has a population of 1.3 million. About 15,000 households with a workforce of 300,000 from overpopulous provinces have been resettled in the area. Efforts have been made in building irrigation projects to provide fresh water to the area, thus enabling the local farmers to practise double-crop farming and expand the cultivated land. Thanks these efforts, rice output rose to 1.087 million tonnes in 1990, or 500,000 tonnes higher than 1988.

About 133,000 tonnes were harvested in newly reclaimed areas. This year, rice output is estimated at 1.36 million tonnes.

Fresh water also helps in afforestation. About 1,000 of the total 17,000 hectares of reclaimed land have been afforested. Public utilities have also been built, such as roads, power stations, schools, and hospitals.

Plans to tap the Long Xuyen Quadrangle in the period 1991-95 were established at a recent meeting held in the township of Long Xuyen by the central managing board for the exploitation of the Long Xuyen quadrangle. The aim is to obtain 1.5-1.6 million tonnes of rice output, practise double-cropping on 20,000 hectares, reclaim 50,000 hectares of wasteland, plant 60,000 hectares of forest, and furnish the area with 70,000-90,000 settlers.

French Envoy Discusses Bilateral Ties

BK2307103592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 14 Jul 92

["Statement by French Ambassador to Vietnam Claude-Marie Blanchemaison over Radio Voice of Vietnam on the occasion of the National Day of the Republic of France"; date not given—recorded in French, fading into Vietnamese translation]

[Summary] "Dear Friends: First allow me to thank the Board of Directors of Radio Voice of Vietnam for having granted me permission to talk to you while you are at home in various Vietnamese cities and villages today, 14 July 1992."

It is my great honor to convey to you the amiable salutation from your French compatriots on the occasion of France's National Day.

As you know, you are now closer than ever to the hearts of the French people. Many books, newspapers, television and radio programs, and pictures have made our compatriots more interested in the life of the Vietnamese people.

"Of late, relations between the two countries have developed considerably. The visit to Vietnam of Mr. Roland Dumas, minister of state for foreign affairs, in November 1991, which was followed by the official visit to Paris of Mr. Nguyen Manh Cam, your foreign minister, in late May this year have marked an acceleration of our relationship and cooperative development in various fields. At present, many Vietnamese have received scholarships to attend colleges in France. Conversely, more and more Frenchmen are working under various cooperation programs in Vietnam in many different areas—agriculture, public health, cinematography, audio-visual, informatics, law, and economic management. To make a long story short, French-Vietnamese cooperation is comprehensive and related to various fields."

As you know, French language teaching programs have been regularly aired over Vietnamese radio and television. A French cultural and language center was inaugurated early this year in Hanoi. And by the beginning of the coming school year, a French-Vietnamese economic management training center will also be inaugurated.

"Both Vietnam and France have inherited great cultures and have always concerned themselves with preserving their cultural characteristics in conjunction with efforts to open themselves to the outside world. The assistance

we are giving to Vietnam and your efforts to blend yourselves with the world economy, especially in the fields of trade, industry, finance, and world affairs for our bilateral benefit have produced initial results.

"On the occasion of this year's 14 July anniversary, I wish the cooperation between France and Vietnam to be enduring. Today is also the bicentennial of the French national anthem La Marseillaise and the founding of the Republic in France."

French Bank Opens Branch in Ho Chi Minh City

BK1707151592 Hanoi VNA in English 1445 GMT 17 Jun 92

[Text] Hanoi VNA July 17—Indosuez Bank of France opened a branch in Ho Chi Minh City on July 14, 1992 after three months of receiving its permit.

Addressing the inauguration, Mr. Bernard de Lattre, vice-president and regional director of the bank, said Indosuez's activities aim at supporting Vietnam in financial and banking projects and in developing export-import operations and helping foreign partners in their investments in Vietnam. After Indosuez, four other foreign banks, three from France and one banking group from Australia and New Zealand, will set up branches in the city. Besides, India Bank has also received its permit to open a branch, the first Indian bank to do so in Vietnam.

Russian Minister Wants to Maintain Cam Ranh Bay

BK2307120292 Hanoi Voice of Vietnam in English 1000 GMT 23 Jul 92

[Text] Russia said on Wednesday that it wants to continue using air and naval facilities at Cam Ranh Strategic Base in Vietnam, and proposed to play the role of ensuring stability in Southeast Asia which was previously played by the United States.

Speaking to newsmen, Russian Foreign Minister Kozyrev, special guest of the ASEAN foreign ministerial conference, said he forwarded that proposal to Vietnamese Foreign Minister Nguyen Manh Cam on Tuesday.

He said: We are not necessarily hurrying in leaving the Cam Ranh Bay. He also said that Russian troops would stay on in Cam Ranh if Vietnam agrees and other countries in the region consider this bay a center of stability.

American Youth Symphony Orchestra Visits

BK2307075992 Hanoi VNA in English 0656 GMT 23 Jul 92

[Text] Hanoi VNA July 23—Eighty three Americans in the youth symphony orchestra island are paying a short visit to Hanoi on a performance tour of Asian and Pacific countries sponsored by contemporary tours in New York.

The American tourists, who arrived here July 20, met with young musicians of the Vietnam Symphony Orchestra and were entertained with Vietnamese folk music.

Meeting for Support Korea Month Held

BK2207155392 Hanoi VNA in English 1542 GMT 22 Jul 92

[Text] Hanoi VNA July 22—A meeting arranged here today jointly by the Vietnam-DPR Korean Association, the Vietnam APPSO [Afro-Asian People's Solidarity Organization] committee, the Vietnam Committee for Support of Korea and the DPR Korean embassy in Hanoi in response to the month of solidarity and support of Korea.

Speaking at the meeting, Nguyen Trung Hieu, deputy president of the Vietnam AAPSO Committee, and Korea Charge D' Affaires A.I. Yi Quan In brought out the persistent efforts of the Democratic People's Republic of Korea for the peaceful reunification of the Korean motherland. They voiced the conviction that the Korean people, strong with the sympathy and support from peace and justice-loving people all over the world, would gain final victory in their sacred cause.

Australia

Indonesia Detains Officials in Irian Jaya

BK2007085892 Melbourne Radio Australia in English 0800 GMT 20 Jul 92

[Text] The Australian Government is seeking the immediate release of 10 Australians including federal and state government officials being held by Indonesian authorities in Irian Jaya.

The Australian officials and three air crew flew to Irian Jaya yesterday to repatriate two Indonesian fishing crews, who had been held on Thursday Island in Torres Straits after their boats were impounded.

Australia's Department of Foreign Affairs said they are being held because of irregularities relating to their documents and flight clearance. Accompanying the fishing crew were four federal government officials and three from Queensland.

Australia's embassy in Jakarta has contacted Indonesian officials seeking clarifications and the release of all those being held.

Rowe Named New Consul-General for Noumea

BK2207071292 Melbourne Radio Australia in English 0500 GMT 22 Jul 92

[Text] Australia has announced the appointment of Leslie Rowe, as Canberra's new consul-general in Noumea (?with) responsibility for New Caledonia, French Polynesia, and Wallis and Fortuna.

The foreign minister, Gareth Evans, said Australia placed considerable importance on developing Australia's relations with the French Pacific territories. He reaffirmed the government's support for the process of political, economic, and social development outlined in New Caledonia's Magtinon and (Udinal) Accords.

Senator Evans also said the French Government's decision to suspended its Pacific nuclear testing program was a step in the right direction and he hoped France would cease testing all together.

Mr. Rowe, who served in diplomatic posts in Ghana, Portugal, Lebanon, and at the United Nations, will take up his new appointment in early September.

New Zealand

Exports Surge; Trade Surplus Increases

BK2307071292 Melbourne Radio Australia in English 0500 GMT 23 Jul 92

[Text] A surge in exports has pushed New Zealand's trade surplus up to almost $1,400 million in the financial year to the end of June. The statistics department said exports were worth $9,896 million, a record annual level. Australia remain New Zealand's biggest export market in the year with trans-Tasman sales being worth $1,875 million. The overall export figure was up 12.8 percent on the last financial year. Most export earnings came from meat sales followed by wool and fish.

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